

# Qalaa Holdings

## Investor Presentation



AFRICAN LEADER IN  
INFRASTRUCTURE & INDUSTRY

September 2015

*Strictly Private and Confidential*

*All Figures as of 1Q15 Unless Otherwise Stated*

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# Overview



QALAA  
HOLDINGS  
القلعة

AFRICAN LEADER IN  
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# Qalaa Holdings at a Glance

Leading Investment Company in Africa and the Middle East, established in 2004

1Q15 Revenues EGP 1,947.5 million vs. EGP 1,366.9 mn in 1Q14

Building businesses in the core industries that will define our region's future

Contribution Margin of 39% in 1Q15

Currently focused on 8 primary companies in 4 core industries: Energy, Cement, Transportation & Logistics, and Mining

1Q15 EBITDA of EGP 275.8 mn vs. EGP 29.0 mn in 1Q14

Divesting from non-core and non-essential assets to focus 100% of bandwidth on proven winners

1Q15 Net Profit after Minority Interest of (112.2) mn vs. 1Q14 figure of EGP (231.9) mn.

Actively operating in 8 Middle Eastern and African countries; operations are either in progress, on-hiatus, or being explored in 7 more

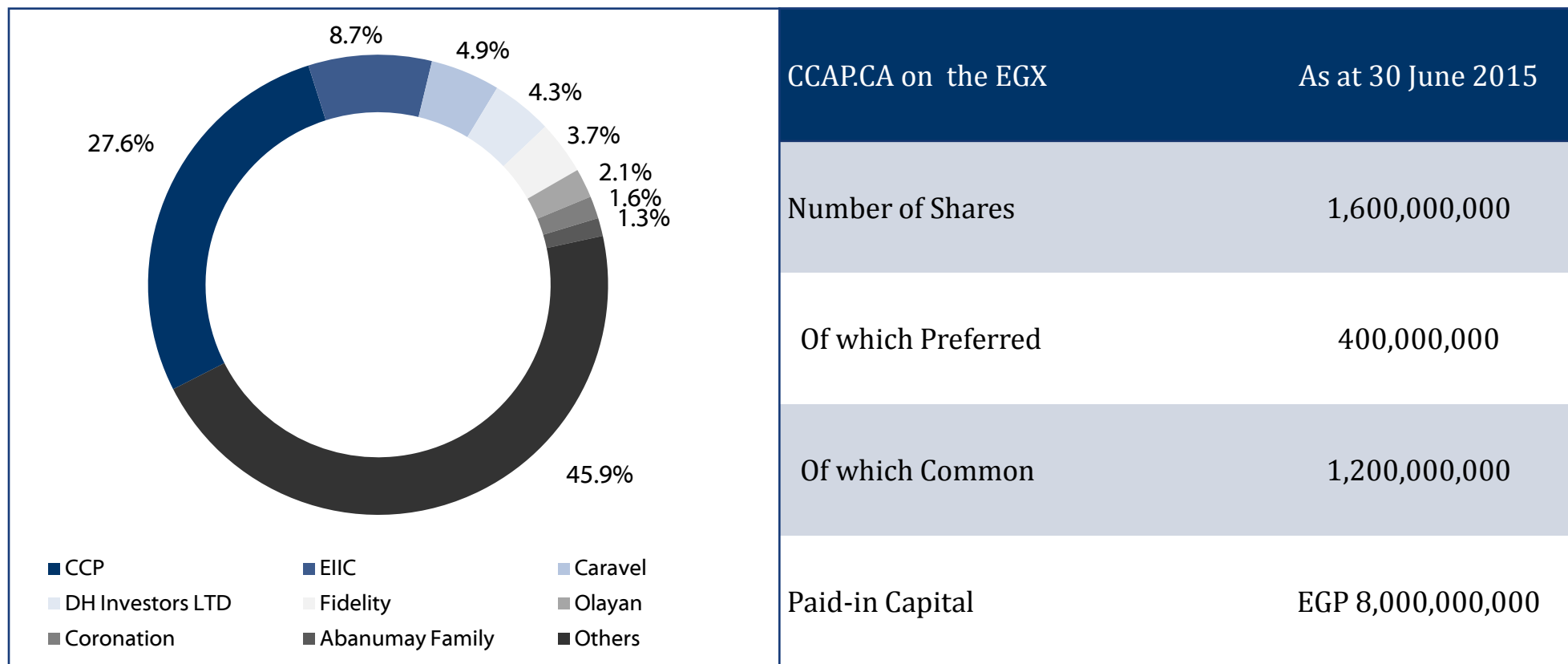
Total bank debt (as at 31 Mar 2015) of EGP 15.05 bn of which EGP 5.87 bn related to ERC\* and EGP 1.65 bn related to Africa Railways

+38,000 employees across the organization

Total Equity of EGP 11.8 bn & Total Assets of EGP 34.2 bn (as at 31 Mar 2014)

\* ERC is a greenfield energy platform company

# Qalaa Holdings Ownership Structure

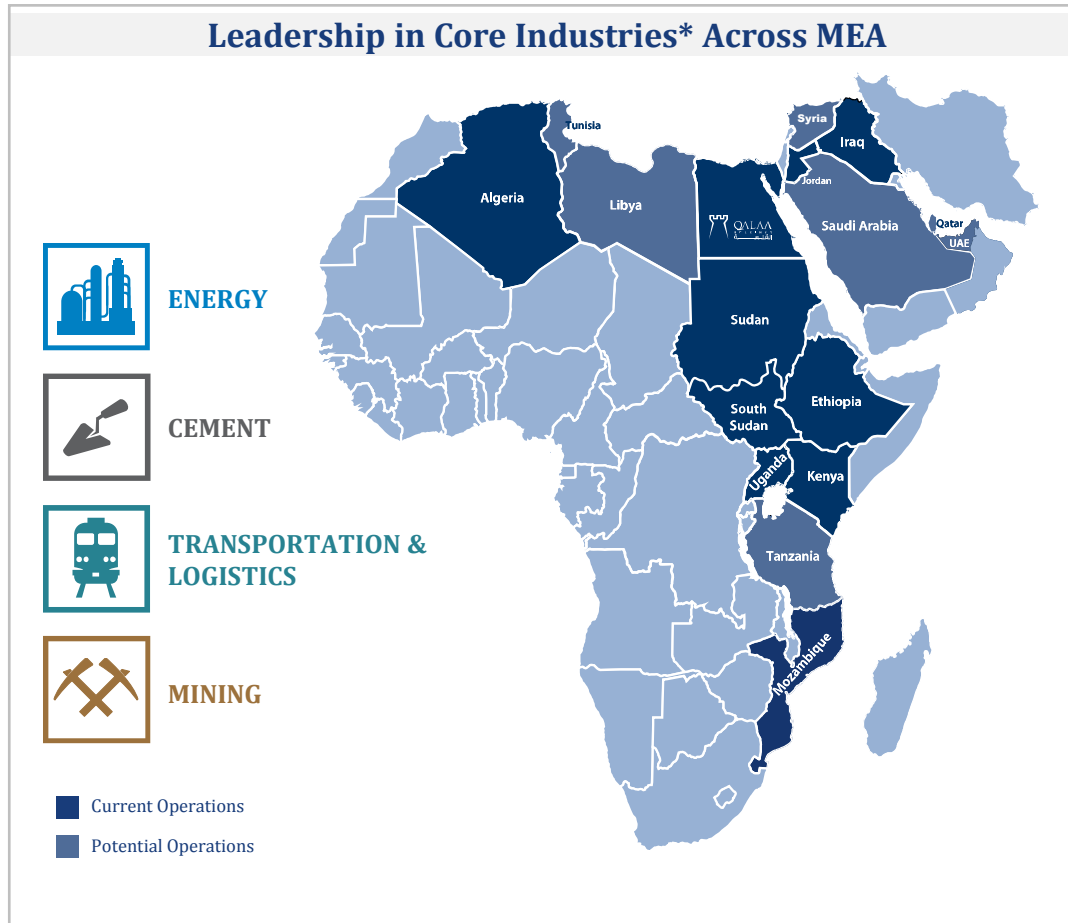


**Please note:**

- CCP is owned by the senior management of Qalaa Holdings
- 25% of the company's shares are preferred shares held by CCP.
- Preferred shares **only** enjoy a higher voting weight where each share has the voting power of three ordinary shares

# African Leader in Infrastructure and Industry

Qalaa Holdings operations span a diverse geographic footprint where it is helping build businesses in the core industries that will define the region's future.

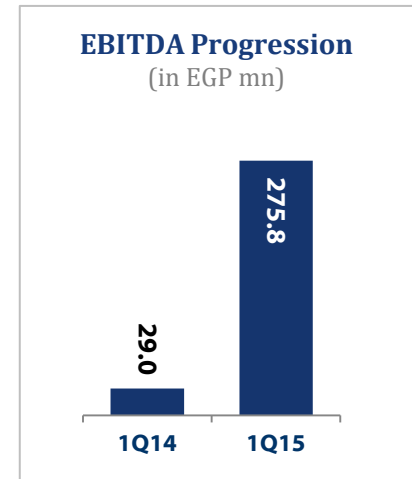
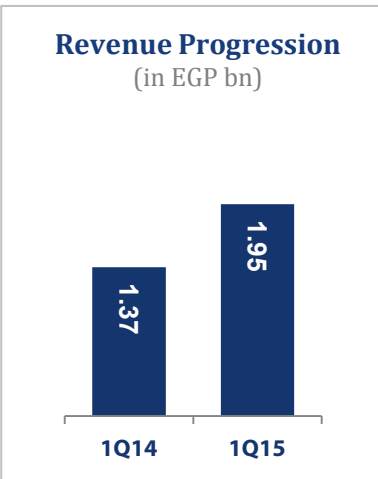


**Deep Regional Knowledge, Strong Industry Know-How**

**Experienced and Dedicated Management Team**

**EGP 8 bn**  
Paid-in capital

**EGP 2.74 bn<sup>^</sup>**  
Market capitalization



\* In February 2015 the company had announced its plans to sell platform companies operating under the agrifoods sector in the wake of management's decision to treat the sector as non-core

<sup>^</sup> As of August 18, 2015 – Share price of EGP 1.71

# Core Industries\* at a Glance

## Energy

### 33% of Core Platform Revenues 1Q15

- A leading regional player in the energy segment with investments in midstream and downstream operations.
- Activities include refining, energy distribution, power generation, solid waste management & fuel storage and bunkering.
- 4 core subsidiaries: 2 operational with multiple active portfolio companies; 2 greenfields in progress.

**Footprint:** Egypt, Libya, Malaysia, Oman, Qatar, Saudi Arabia, Sudan, Syria, UAE



## Cement

### 47% of Core Platform Revenues 1Q15

- A leading regional cement player with integrated investments production facilities, construction and technical management.
- Two industry sub-segments: Cement and Construction & Management
- 1 core subsidiary with multiple active and greenfield portfolio companies

**Footprint:** Algeria, Egypt, Iraq, Sudan, Syria, Jordan



## Transportation & Logistics

### 10% of Core Platform Revenues 1Q15

- Investments in railway and river transport
- Activities include passenger and freight rail services, logistics, river transport services, port management, stevedoring, container transshipment
- 2 core subsidiaries with multiple active portfolio companies

**Footprint:** Egypt, Kenya, South Sudan, Sudan, Uganda



## Mining

### 10% of Core Platform Revenues 1Q15

- An investment play in the region's geology and mining industry
- Activities include research and development, precious metals mining, mining for the cement industry, quarry management, production of ground calcium carbonate, rockwool and glasswool (insulation materials)
- 1 core subsidiary with multiple active portfolio companies

**Footprint:** Algeria, Egypt, Ethiopia, Iraq, Oman, Saudi Arabia, Sudan, Syria, UAE



\* The company is presently exploring the sale of both confectioner Rashidi El-Mizan and the farm and fresh milk companies that operate under the Dina Farms brand in the wake of management's decision to treat the agrifoods sector as non-core. Meanwhile, Wafra remains mothballed due to difficulties in operations ranging from political and civil conflicts in South Sudan to technical problems. Qalaa Holdings will however retain ownership of its retail supermarkets business operating under the Dina Farms umbrella.

# Key Elements of our Strategy

Qalaa Holdings' strategy in 2015 is two-fold; **reducing financial risk** by deleveraging at the holding & platform company levels & **limiting operational risk** through the divestment of underperforming assets and focusing on the winners.

## 2014

During 2014 the company had laid the ground work for the completion of its transformation into holding company through:

- Capital increase of EGP 3.64 billion concluded in April 2014
- Acquiring majority stakes in most of its core subsidiaries and;
- Completed exits of several non-core assets including Sudanese Egyptian Bank, Sphinx Glass and foundries AAC and AMC in 2014 & Pharos Holding and MGM between Jan-July 2015



## 2015

### Key Elements of Strategy

	Increase Stakes	Sale of Assets	Share Buybacks
Financial & Operational Risk Reduction	<ol style="list-style-type: none"> <li>1. Capital increase worth around EGP 1 billion through: <ul style="list-style-type: none"> <li>• Issuance of an additional 200 million shares</li> <li>• Paid-in capital to rise to EGP 9 billion</li> </ul> </li> <li>2. Asset Exchange Transaction* with FHI, Qalaa's largest co-investor, will see the company increase its stakes in ASEC Holding, TAQA Arabia, Mashreq, Nile Logistics, Dina Farms Supermarkets, and United Foundries.</li> </ol>	<ol style="list-style-type: none"> <li>1. Additional divestments include: Dina Farms Op Co; Rashidi El Mizan; Zahana; Djelfa; Tanemyah and; Tebbin Land. Proceeds from which are to be used for debt repayments at the holding &amp; platform company levels</li> <li>2. Asset Exchange Transaction* with FHI, Qalaa's largest co-investor, will see the company sell its stakes in MENA Homes, Grandview and Dina Farms Land Companies</li> </ol>	<ul style="list-style-type: none"> <li>• Using proceeds from strategic exits to buy shares</li> <li>• So long as shares trade at a significant discount from fair market value</li> </ul>

\* Please refer to slide 11 for more details on Qalaa Holdings' Asset Exchange Transaction with FHI



# Divestment Program Update

As it streamlines operations to better focus on core assets, Qalaa Holdings is divesting from underperforming and non-essential assets, focusing instead on the winners

## Divestments concluded to-date

- Sale of **Misr Glass Manufacturing** (3Q15)
- Sale of full 80% stake in **Pharos Holding** in a deal valuing 100% of Pharos at EGP 40 mn (1Q15)
- The sale of 100% of **AAC & AMC**, two companies owned by United Foundries (non-core portfolio company) for c. EGP 260 mn (4Q14)
- Sale of 100% non-core portfolio company **Sphinx Glass** for an enterprise value of US\$ 180 million (3Q14)
- The sale of 100% of the **Sudanese Egyptian Bank (SEB)** for total consideration of US\$ 22 million (2Q14)
- Sale of 100 % **ADES** – Medium cap oil and gas company owned by Grandview a non core portfolio company for consideration of USD 12 mn (4Q13)
- Sale of a **flour mill that was owned by Gozour** in Sudan for USD 6 mn (4Q13)

## Planned Exits

	Dina Farms & Rashidi El Mizan (Gozour)
	Zahana Cement Co. & Djelfa Cement Co (ASEC Cement)
	Tanmeyah (Finance Unlimited)
	Nile-front land in Tebbin (Nile Logistics)

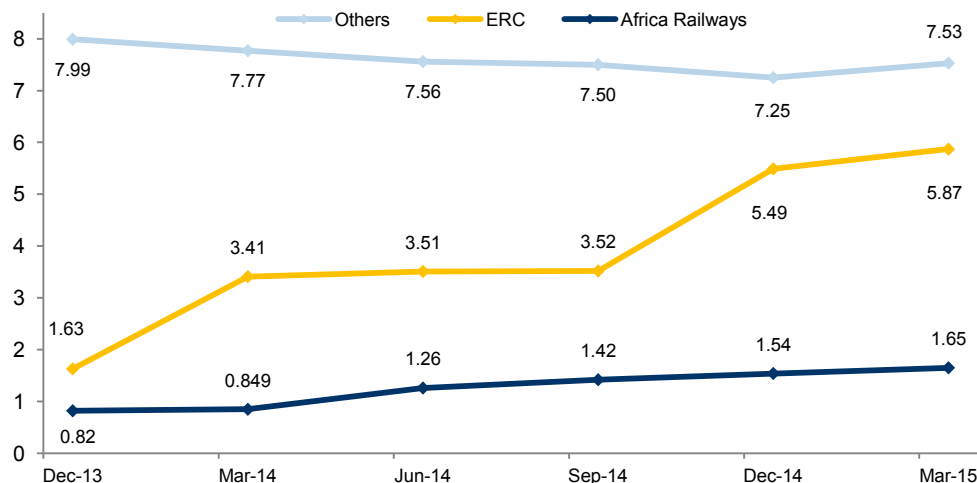
# FHI Asset Exchange Transaction

Qalaa Holdings had signed a set of agreements with Financial Holdings International (FHI), one of Qalaa's major co-investors, through which Qalaa will acquire from FHI additional stakes in subsidiaries that are core to Qalaa's future as a holding company. Qalaa will simultaneously sell to FHI its holdings in multiple non-core business units.

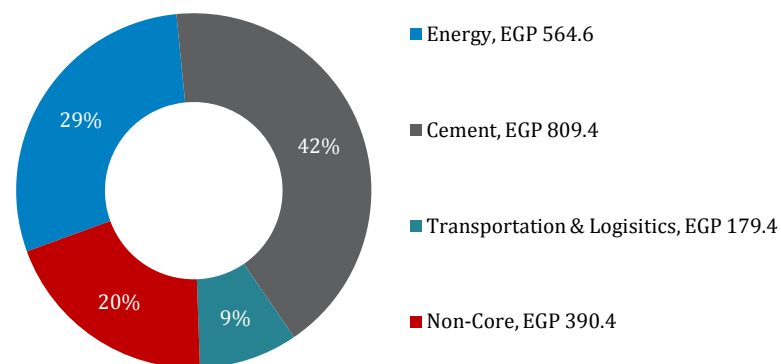
Qalaa's Effective Ownership		
Asset stakes added by Qalaa	Current	Post Transaction
ASEC Holding	69.3%	99.0%
NDT Convertible	38.1%	84.1%
TAQA Arabia	62.6%	80.4%
Mashreq	71.3%	84.3%
Nile Logistics	67.5%	92.6%
Dina Farms Retail Supermarkets	55.0%	88.6%
United Foundries	67.5%	100.0%
Asset stakes sold by Qalaa	Current	Post Transaction
MENA Homes (Designopolis Mall)	60.2%	0.0%
Grandview	48.0%	0.0%
Dina Farms Land Companies	55.0%	0.0%

# Debt & Revenue Highlights of 1Q 2015

**Debt Progression (EGP bn)**



**Contribution to Qalaa Holdings Consolidated Revenues in 1Q15 (in EGP mn)**



As at 31 March 2015, company reported Total Bank Debt of EGP 15.05 billion — of which EGP 5.87 billion relates to greenfield ERC and a further EGP 1.65 billion arises from Rift Valley Railways (RVR) — vs. Total Equity of EGP 11.77 billion. Debt positions witnessed a q-o-q increase in 1Q15 on the back of the EGP's devaluation against the USD where some companies carry dollar denominated debt including ERC and RVR. It is worthy to note that ERC's debt position will continue to rise as the company utilizes its extended facility — c.USD 100 million already withdrawn in May 2015 — while RVR should remain stable until repayment commences in 2016.



# Industries & Companies



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# Our Core Industries

As the leading investment company in Africa and the Middle East, Qalaa Holdings builds businesses in the core industries that will define our region's future: Energy, Cement, Transportation & Logistics, and Mining.



ENERGY



CEMENT



TRANSPORTATION  
& LOGISTICS



MINING

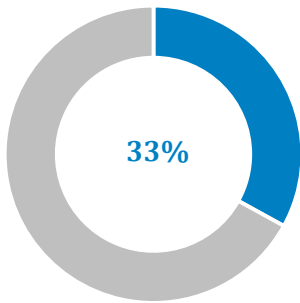
Energy





- To keep pace with projected economic growth and provide much-needed energy capacity in the region, Qalaa Holdings has invested in energy as one of our core industries
- 4 core subsidiaries: 2 operational (TAQA Arabia and Tawazon) and two greenfields in progress (ERC and Mashreq).

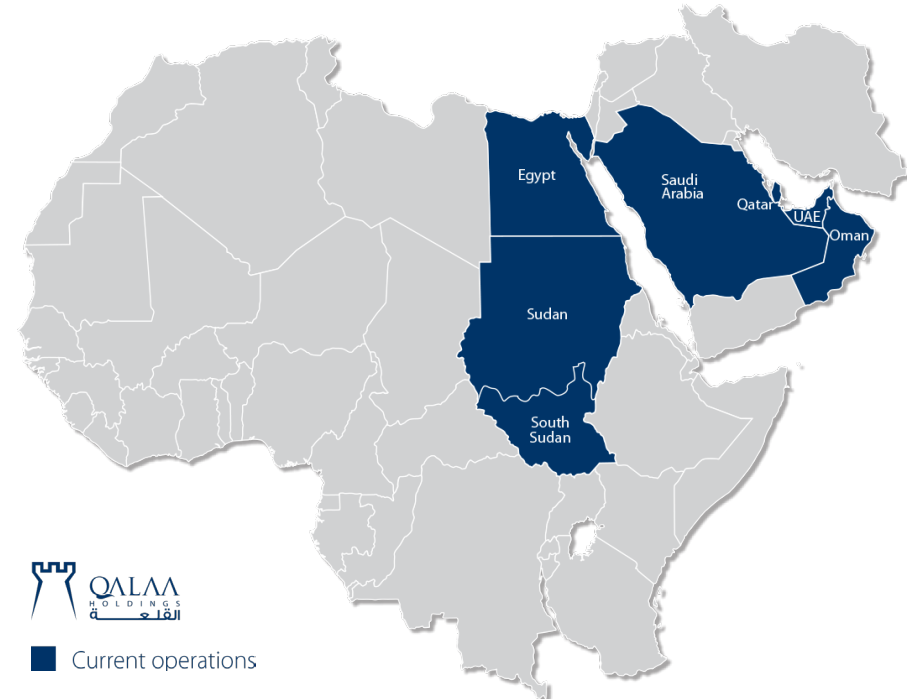
**% of Core Revenues**  
(1Q15)



**Revenues**  
EGP 564.6 mn  
(1Q15)

**EBITDA**  
EGP 62.3 mn  
(1Q15)

## Energy Sector Footprint



## Platform Companies



tawazon



Mashreq  
PETROLEUM

# The Energy Industry is Supported by Strong Macro Fundamentals

Region-wide, trends are towards higher consumption of natural gas coupled with an increasingly unreliable supply

The region's energy-intensive industries are in need of reliable, quality fuel. Interest in the use of alternative fuels is rising, as are government incentives for the same

Electricity shortages and price increases in Egypt will necessitate a number of energy efficiency projects and greenfield power projects

The Government of Egypt has begun redefining its longstanding system of energy subsidies

**Qalaa's energy plays that capitalize on these trends: *TAQA Arabia; Tawazon; ERC***

Current volumes of shipping through the Suez Canal are high and growing (c.7% of total global shipping)

Government of Egypt has announced national project to transform the Suez Canal into an international service and industrial hub

**Qalaa's energy plays that capitalize on these trends: *Mashreq;***

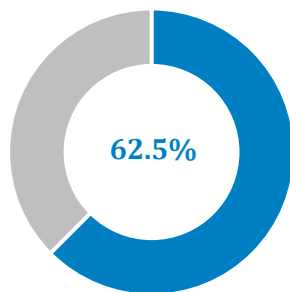


# TAQA Arabia at a Glance



TAQA Arabia is Egypt's largest private sector energy distribution company

Qalaa Holdings Ownership Stake



Leading private sector power distributor in Egypt

Largest natural gas distributor in Egypt with concessions covering 11 out of 27 governorates

2<sup>nd</sup>-largest player in small scale power generation

Total converted gas clients since inception stand at 652,122 households and 167 industrial clients

3 arms: gas distribution (residential, commercial and industrial); electricity distribution & generation; and fuels & lubricants marketing

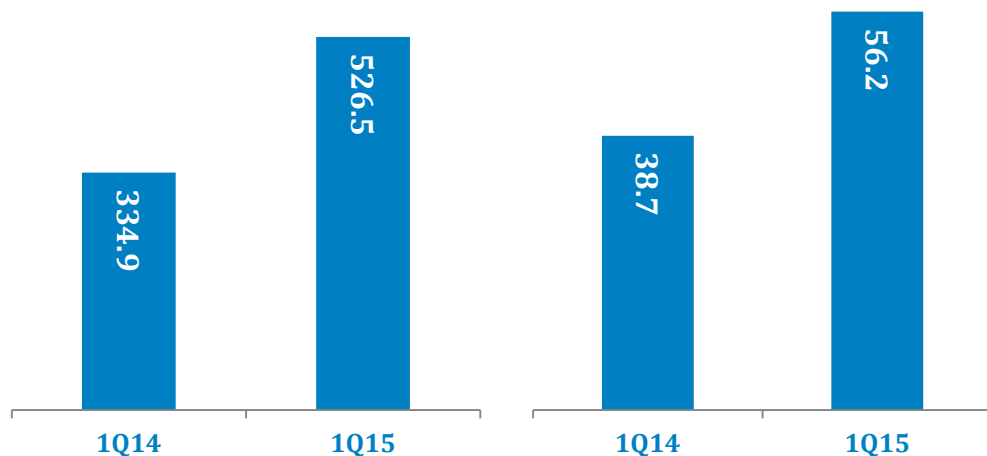
1,000 MW of contracted distribution and generation capacity of which 400 MW are residential and commercial, 250 MW touristic and 300 MW industrial

Fast-growing in petroleum products distribution including 38 fuel & gas stations and one terminal as of March 2015

# TAQA Arabia's Recent Operational Performance

**TAQA Arabia Consolidated Revenues**  
(EGP mn)

**TAQA Arabia Consolidated EBITDA**  
(EGP mn)



Total Electricity Generated (1Q15)  
**49.5 mn kW/hr**

Total Lube Distributed (1Q15)  
**650 tons**

Total Electricity Distributed (1Q15) **84.6 mn kW/hr**

Total Fuel Oil Distributed (FY14)  
**16,019 tons**

**0.7 BCM CNG & Gas Distributed (1Q15)**

Total Liquid Fuel distributed (1Q15)  
**150,347 K liters**

Power arm revenues of EGP 102.5 mn in 1Q15 a 65% increase y-o-y

Gas arm revenues of EGP 129.5 mn in 1Q15, an 18% increase y-o-y

TAQA Marketing revenues of EGP 287.8 mn in 1Q15, a 75% increase y-o-y

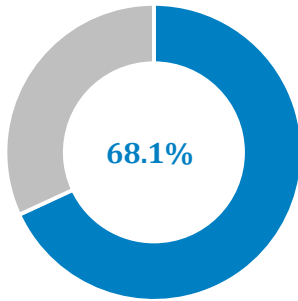
**16,491 Converted Customers in Gas Construction Activities (1Q15)**

# Tawazon at a Glance



**Tawazon is a leading waste management enterprise**

**Qalaa Holdings Ownership Stake**



2 subsidiary companies: the Egyptian Company for Solid Waste Recycling (ECARU), a solid waste management service operator, and the Engineering Tasks Group (ENTAG), a solid waste management engineering and contracting company

Activities include: Agricultural Solid Waste Management (ECARU); Production of Refuse-Derived Fuel (ECARU); Municipal Solid Waste Management (ECARU); Solid Waste Engineering & Contracting (ENTAG)

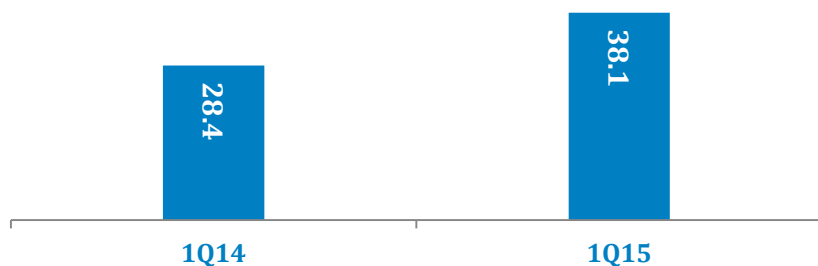
Extensive operations in Egypt and an international project book in Oman, Malaysia, Sudan, Nigeria, Libya, Saudi Arabia and Syria

Currently serving multiple contracts with major national cement producers; clients include Cemex and Italcementi

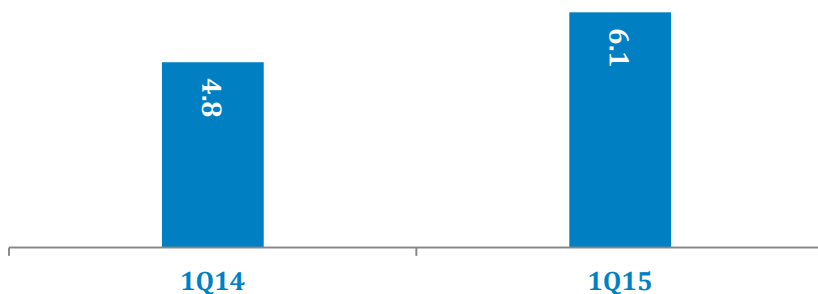


# Tawazon's Recent Operational Performance

**Tawazon Consolidated Revenues**  
(EGP mn)



**Tawazon Consolidated EBITDA**  
(EGP mn)



ECARU revenues of EGP 23.7 mn in 1Q15, a 17% decrease y-o-y

ENTAG revenues of EGP 17.0 mn in 1Q15, a 2060% increase y-o-y

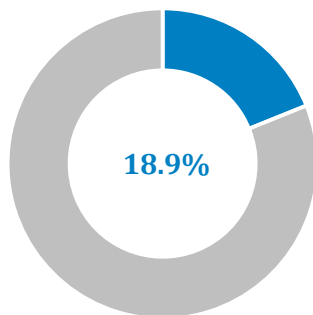
Total Biomass Supplied (1Q15)  
**13,391 tons**

# ERC at a Glance



**The Egyptian Refining Company  
is a state-of-the-art US\$ 3.7 bn  
greenfield second-stage refinery**

Qalaa Holdings Ownership Stake



To reduce by 50% Egypt's present-day imports of diesel in a climate where the Government of Egypt has begun redefining energy policy and pricing

Reached  
financial close in  
June 2012

Among the  
largest-ever non-  
recourse project  
finance  
transactions in  
Africa

Total equity of  
USD 1.1 bn

More than 4 mn  
tons of refined  
products,  
including 2.3  
MTPA Euro V  
diesel

Integrated add-  
on projects will  
further improve  
project  
economics

Refinery margins  
to exceed US\$ 20  
per barrel

Continued  
delivery of heavy  
equipment to Al-  
Adabiya Port in  
Egypt's Gulf of  
Suez

Expected to  
enter operations  
2017

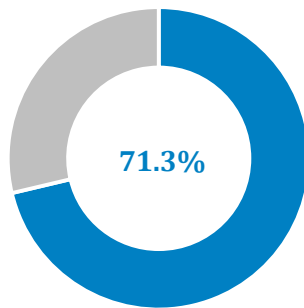
Underpinned by 25-year supply and off-take agreement with the Egyptian General Petroleum Corporation (EGPC) at international prices

# Mashreq at a Glance

**Mashreq**  
PETROLEUM

**Mashreq Petroleum is developing a one-of-a-kind fuel storage and bunkering facility with associated logistics hub**

Qalaa Holdings Ownership Stake



Capitalizing on the high and growing volume of shipping through the Suez Canal (c.7% of total global shipping)

On-track to become the first fuel and oil product bunkering facility in the Eastern Mediterranean

210,000 sqm plot of land strategically located on the Mediterranean side of the Suez Canal

Signed mandate letter with a leading financial institution, kick-starting due diligence process

Growth strategy will complement government announced national project to transform the Suez Canal into an international service and industrial hub

Cement

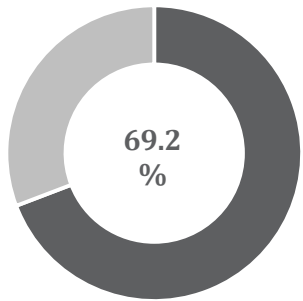


# Cement Overview

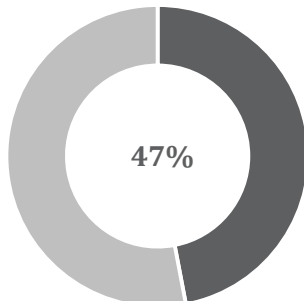


- From Egypt to Algeria and Sudan, Qalaa Holdings' companies in the cement sector produce high-quality building materials that meet international environmental standards.
- Core subsidiary ASEC Holding is a leading regional cement, engineering and construction group with operations spanning Africa and the Middle East.
- ASEC Engineering's total managed production includes 11 production lines with an annual design capacity of 15.1 MTPA.
- ARESCO closed 1Q15 with c. EGP 1.3 billion in awarded contracts.

## Qalaa Holdings Ownership Stake



## % of Core Revenue (1Q15)



## Revenues

EGP 809.4 mn  
(1Q15)

## EBITDA

EGP 181.5 mn  
(1Q15)

## Cement Sector Footprint



## Platform Company

الاسيك asec  
القابضة holding

# The Cement Industry is Supported by Strong Macro Fundamentals

Region-wide, consumption of cement is increasing — for instance in Egypt, per capita consumption is 500 tons per annum, while it is 85 tpa in Sudan

**Qalaa's cement plays that capitalize on these trends:** ASEC Cement subsidiaries ASEC Minya, ASEC Ready Mix, Al-Takamol Cement Co.

Demand for ready-mix cement is growing, while few providers exist, particularly in the booming Upper Egyptian market

**Qalaa's cement plays that capitalize on these trends:** ASEC Ready Mix

Energy de-regulation is opening opportunities for private industry, sparking construction of new plants and; a trend towards increasing energy efficiency is creating demand for existing plants modifications (vertical mills, RDF, coal mills, waste heat recovery).

**Qalaa's cement plays that capitalize on these trends:** *ASEC Holding subsidiaries ASEC Engineering, ARESCO (construction)*

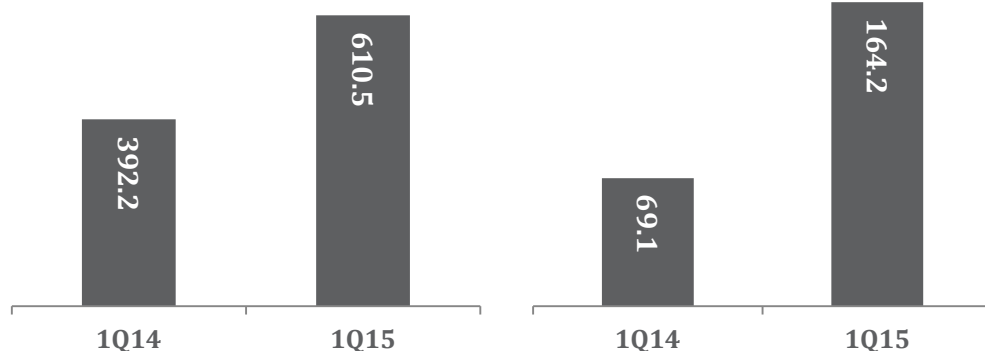




# ASEC Cement at a Glance

**ASEC Cement  
Revenues**  
(EGP mn)

**ASEC Cement  
EBITDA**  
(EGP mn)



ASEC Minya revenues of EGP 331.7 mn in 1Q15

Misr Qena Cement\* revenues of EGP 295.5 mn in 1Q15, a 22% increase y-o-y

Al-Takamol Cement Co. revenues of EGP 215.8 mn in 1Q15, a 157% increase y-o-y

ASEC Ready Mix revenues of EGP 45.8 mn in 1Q15, a 59% increase y-o-y

Subsidiary companies include: ASEC Minya, Misr Qena Cement\*, ASEC Ready Mix (Egypt); Al-Takamol (Sudan); Zahana Cement^, ASEC Algeria (Algeria)^ with total influenced cement production capacity of 6.5 MTPA

Currently in the process of converting all of its facilities to solid and alternative fuels to mitigate the risk of dependence on fossil fuels

Proceeds from the sale of ASEC Cement's 27.5% stake in Misr Qena during 3Q15 were used to fully deleverage ASEC Cement with all debt and intercompany loans having been paid-off, and the balance distributed to the shareholders

Total Cement Produced (1Q15)  
**0.76 mn tons\*\***

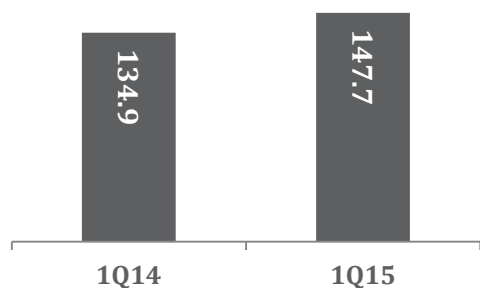
\* Misr Qena Cement is not fully consolidated but is treated as an associate using the equity method of consolidation. ASEC Cement sold its 27.5% stake in Misr Qena in 3Q15

\*\* Includes ASEC Minya (Egypt) 0.55 MT & Al-Takamol (Sudan) 0.21 MT,

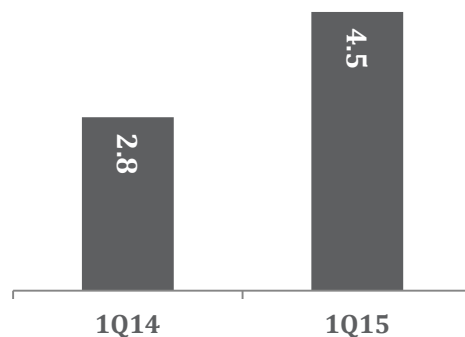
^ ASEC Cement's Algerian units Zahana and Djefa are slated for divestment as part of the Qalaa's streamlining and deleveraging of its core businesses

# Construction & Management at a Glance

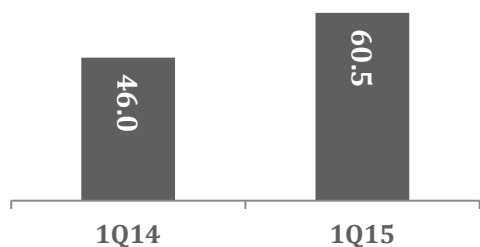
**ASEC Engineering Revenues**  
(EGP mn)



**ASEC Engineering EBITDA**  
(EGP mn)



**ARESCO Revenues**  
(EGP mn)



**ARESCO EBITDA**  
(EGP mn)



ASEC Holding's construction and management services are carried out through ARESCO, ASEC Engineering, ASEC Automation and ASENPRO.

ASEC Engineering "technical management" benefits from higher utilizations at cement plants

ARESCO construction benefits from new projects coming on-stream as a result of energy deregulation

Managed Clinker Production (ASEC ENG.) (1Q15)  
**2.75 mn tons**

Total Construction Backlog (ARESCO) (1Q15)  
**EGP 1.3 bn**



# Transportation & Logistics

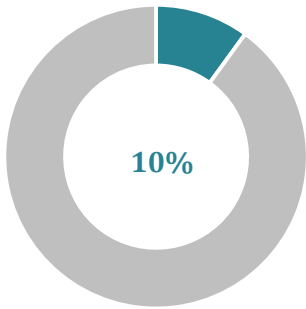


# Transportation & Logistics Overview



- Providing affordable and reliable logistics solutions that are an engine of national and regional growth and help dismantle barriers to cross-border trade in Africa.
- Two core subsidiaries: Nile Logistics (river transportation in Egypt, Sudan and South Sudan) and Africa Railways, which owns Rift Valley Railways, the national railway of Kenya and Uganda.

**% of Core Revenues**  
(1Q15)



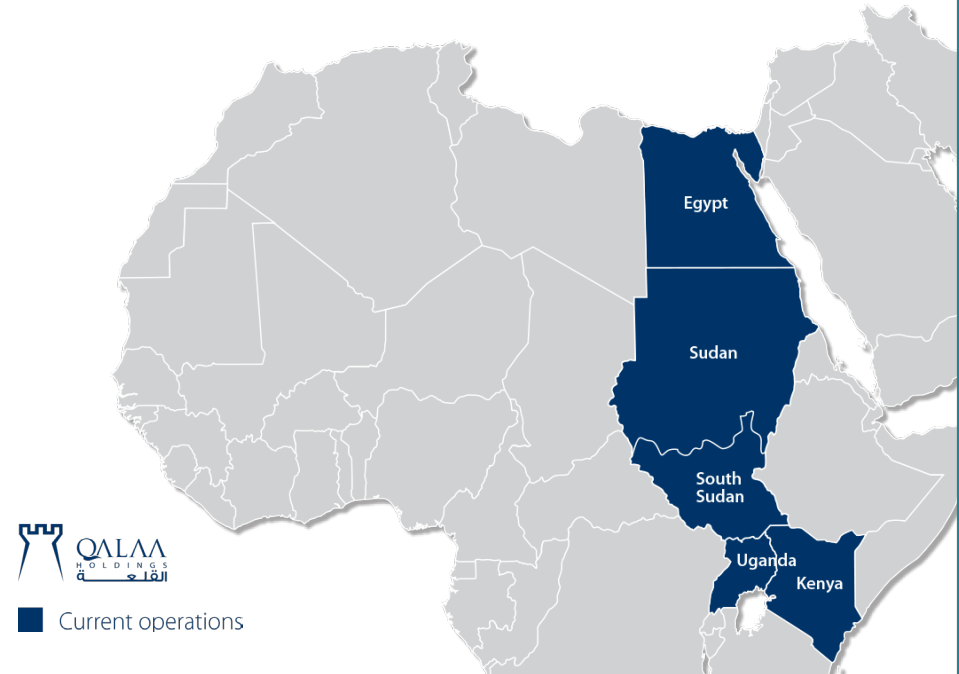
## Revenues

EGP 179.4 mn  
(1Q15)

## EBITDA

EGP 2.9 mn  
(1Q15)

## Transportation & Logistics Sector Footprint



## Platform Companies



# The Transportation & Logistics Industry is Supported by Strong Macro Fundamentals

Subsidy removal as started by Government of Egypt will force shift to significantly more economical river transport

Energy consumption per ton-km of river transported goods is c.17% of that of road transport and c.50% of rail\*

The use of coal will result in higher utilization rates at factories which will translate into higher transport and stevedoring volumes, allowing margin expansions

**Qalaa's T&L plays that capitalize on these trends:** *Nile Logistics*

Intra- and inter-country transport costs in Africa are among the highest in the world

**Qalaa's T&L plays that capitalize on these trends:** *Africa Railways, Nile Logistics*



Growing populations and increasingly urbanized communities increase demand for public transportation

Increasing demand for infrastructure to support transportation of oil from isolated fields in Kenya and Uganda

**Qalaa's T&L plays that capitalize on these trends:** *Africa Railways*

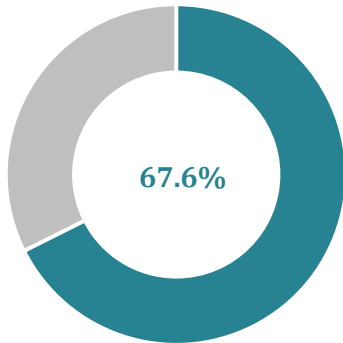
\* European Commission

# Nile Logistics at a Glance



**Nile Logistics is a leading logistics service provider in Egypt, Sudan and South Sudan, using river transportation as its backbone operation**

## Qalaa Holdings Ownership Stake



**Nile Cargo (NC):** Owns and operates a barge fleet in Egypt that covers river transport routes from Alexandria and Damietta to Aswan. The company also runs stevedoring (loading / offloading) activities in sea ports

Owns 47 barges and four Nile River ports in Egypt (Alexandria, Cairo and southern cities), including logistics hubs

**National for River Ports Management Company ('NRPMC'):** Owns and operates river ports in Egypt that cover the entire length of the Nile; services offered are primarily stevedoring and warehousing

Started stevedoring at Alex Port and container transshipment activities between Suez Canal Terminal and West Port Said Container Terminal in Egypt in 2014

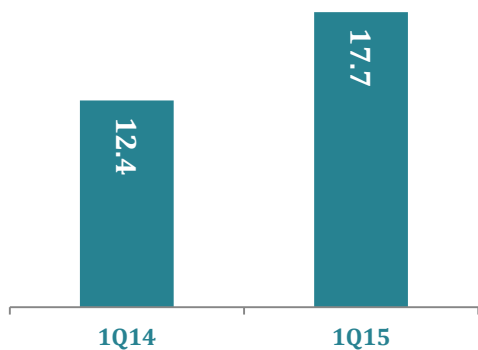
Is home to four complementary companies: Nile Cargo, National River Ports Management Company (NRPMC), Nile Barges and Ostool Trucking Company

**Nile Barges for River Transport:** Located in South Sudan, operates a fleet of barges between the north and south of the country

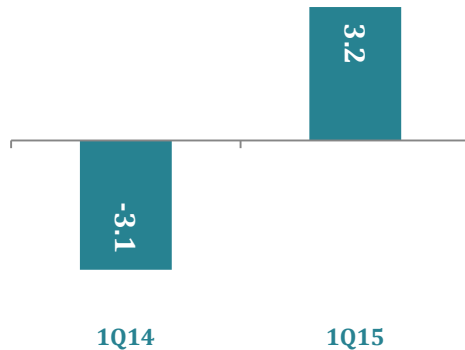
In South Sudan, owns two convoys of 10 vessels and operates between Juba and Malakal

# Nile Logistic's Recent Operational Performance

**Nile Logistics  
Revenues**  
(EGP mn)



**Nile Logistics  
EBITDA**  
(EGP mn)



**282,000 tons** handled by  
stevedoring activities in 1Q15

**6,213 TEU\*** container transshipment  
activities in 1Q15



\* Twenty-foot Equivalent Units

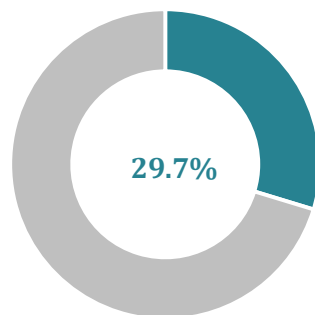


# Africa Railways at a Glance



Africa Railways operates Rift Valley Railways, the national railway of Kenya and Uganda, linking Mombasa to Kampala through a 25-year concession

## Qalaa Holdings Ownership Stake



Finished phase one of re-opening the 500-kilometer-long Tororo-Pakwach railway line after 20 years of disuse

Rebuilt nine crumbling culverts between Jinja and Busembatia in Uganda, allowing the direct movement of heavy trains to Uganda

Overhaul of locomotives and non-functional rolling stock, along with operational improvements

Successfully met the Kenyan government's concession target of NTK three months ahead of the deadline

Completed the rehabilitation of the most damaged sections of railway track between Mombasa and Nairobi; removing 24 km of speed restrictions in just 2 months

Investment in rails and sleepers will permit speeds of 70 km/h against current limits of 25-30 km/h

RVR to grow its share of Mombassa Port shipping to 12% in 2015 from 7% today

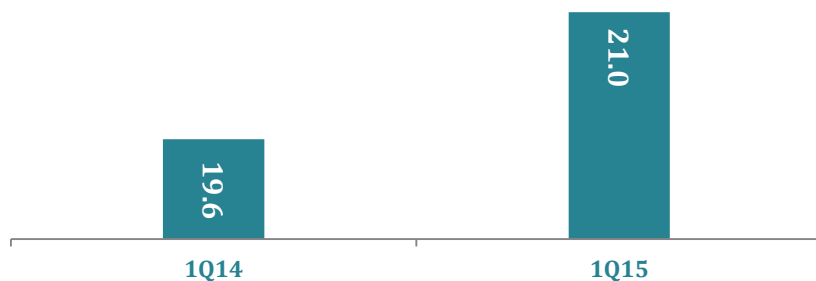
Has taken possession of the first 6 of 20 American-built locomotives

Has full financing for 5-year, US\$ 300+ mn turnaround program

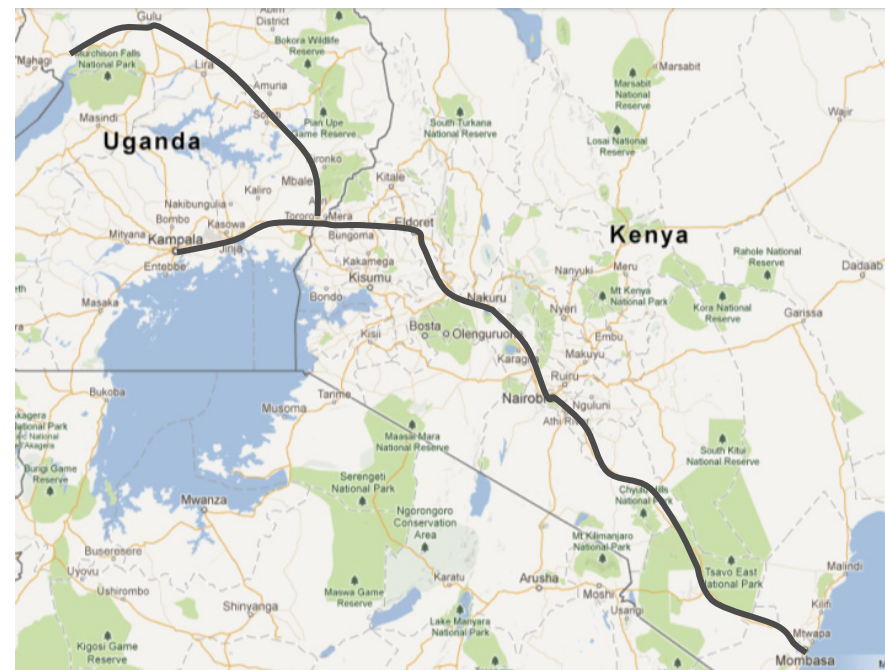
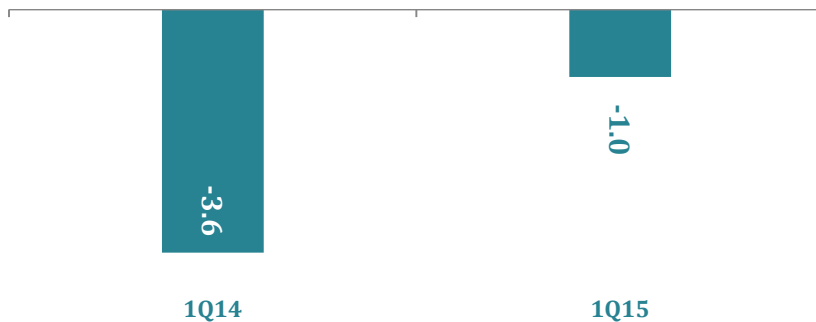
Is servicing new segments, including steel and clinker

# Africa Railways' Recent Operational Updates

**Africa Railways  
Revenues**  
(USD mn)



**Africa Railways  
EBITDA**  
(USD mn)



**385 mn net ton-km rail in 1Q15**

**5.71 cents/ ntk**  
revenues per net-ton-km in 1Q15

Mining



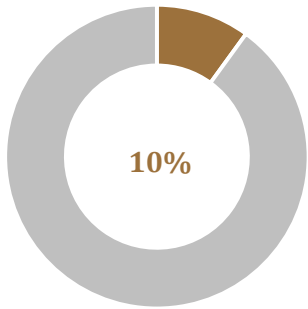


# Mining Overview



- From quarrying for the cement industry to the manufacture of world-class technical calcium carbonate and environmentally friendly building materials, Qalaa Holdings' investments in the mining sector help nations develop and add value to their natural resources.
- Core platform ASCOM includes operating companies ASCOM (as standalone and leading provider of quarrying services), ASCOM for Chemicals and Carbonates Manufacturing (ACCM), ASCOM Precious Metals (APM), GlassRock, and ASCOM Sudan.

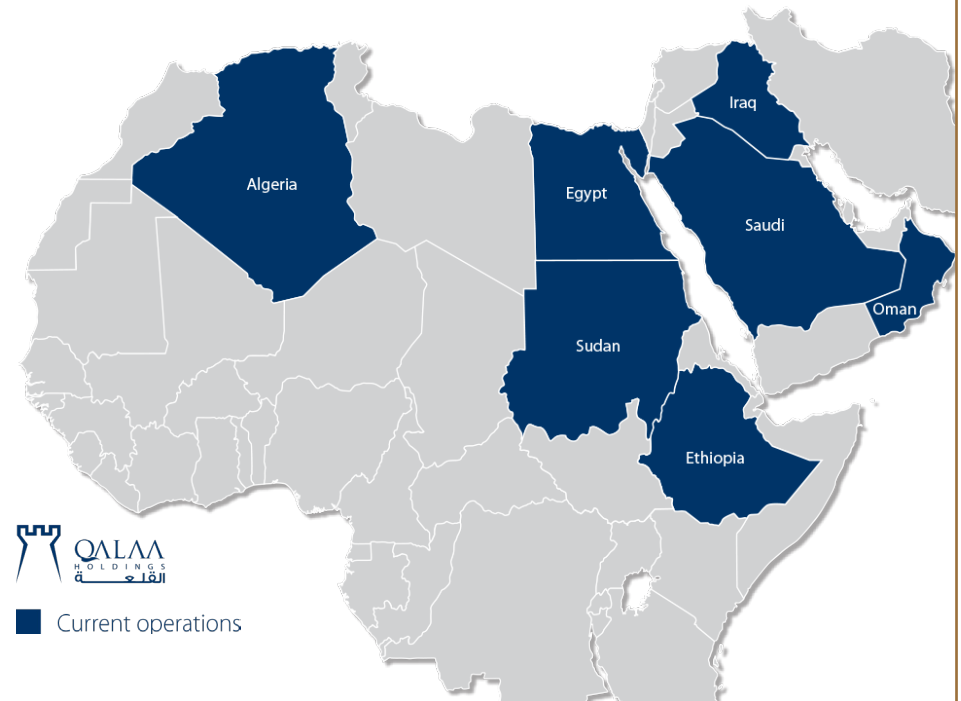
**% of Core Revenues**  
(1Q15)



**Revenues**  
EGP 176.9 mn  
(1Q15)

**EBITDA**  
EGP (0.5) mn  
(1Q15)

## Mining Sector Footprint



## Platform Company

**ASCOM**  
GEOLOGY & MINING

# Regional Mining Industry is Supported by Strong Macro Fundamentals

Africa and the Middle East are rich in natural resources

Growing government appetite for investment in developing critical infrastructure

**Qalaa's mining plays that capitalize on these trends:** *ASCOM, ASCOM Carbonate and Chemical Manufacturing (ACCM), ASCOM for Precious Metals Mining (APM), GlassRock Insulation Co, Quarry Management Operations*

Demand for environmentally-friendly building materials is growing globally and regionally; phase out of electricity subsidies in Egypt will encourage use of insulation materials

**Qalaa's mining plays that capitalize on these trends:** *GlassRock Insulation Co*

Region-wide, the cement industry is booming, with related need for raw materials and value-added inputs

**Qalaa's mining plays that capitalize on these trends:** *ASCOM, ACCM*



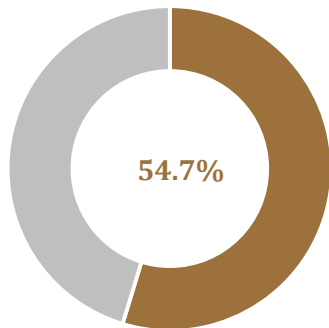
# ASCOM Geology & Mining at a Glance

**ASCOM**  
GEOLOGY & MINING



ASCOM and its portfolio companies are active across the mining value chain

Qalaa Holdings Ownership Stake



Subsidiaries ACCM (technical calcium carbonate) and GlassRock (glasswool and rockwool insulation) are promising export plays

Operating in 9 countries in the Middle East and Africa: Algeria, Egypt, Ethiopia, Iraq, Oman, Saudi Arabia, Sudan, Syria, UAE

ASCOM for Chemicals and Carbonates Manufacturing is operating at full capacity and has added a new wet milling line

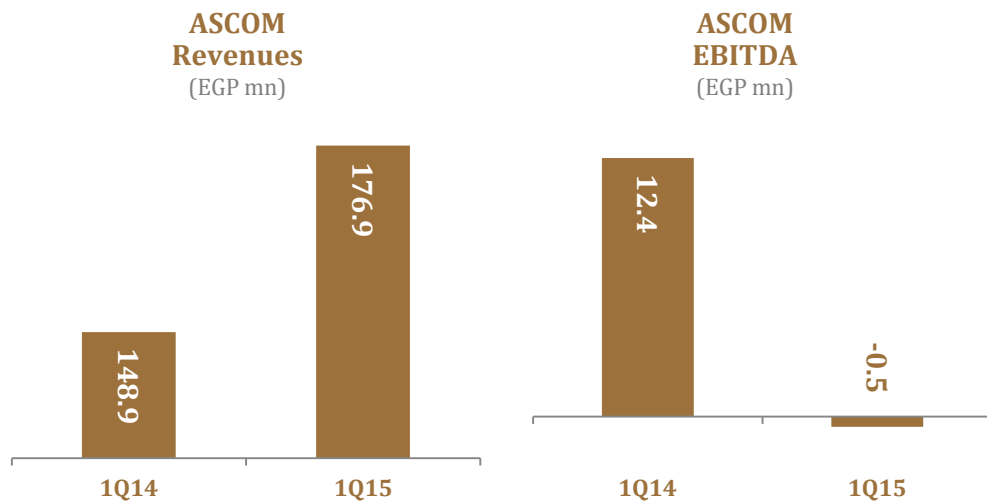
GlassRock Insulation Co. is now targeting rockwool and glasswool exports to key markets, having begun operations in June 2012

Serves limestone and gypsum needs of +40% of Egyptian cement industry

APM holds highly promising gold concessions in Ethiopia – with excellent early assay results - and Sudan



# ASCOM's Recent Operational Performance



ACCM revenues of USD 4.1 mn in 1Q15, an 11% decrease y-o-y

GlassRock revenues of USD 1.0 mn in 1Q15, a 2% increase y-o-y

56.8 k tons sold by ACCM in 1Q15

Egypt Quarrying revenues of EGP 104.7 mn in 1Q15, an 8% increase y-o-y

Other Quarry Management revenues (ex. Egypt) of EGP 34.5 mn in 1Q15, a 402% increase y-o-y

7.9 mn tons sold by Egypt's Quarrying Business in 1Q15

# Retail Supermarkets



# Dina Farms Retail - ACST



Qalaa Holdings' subsidiary, Gozour, is the owner of one of Egypt's fastest growing supermarket chains



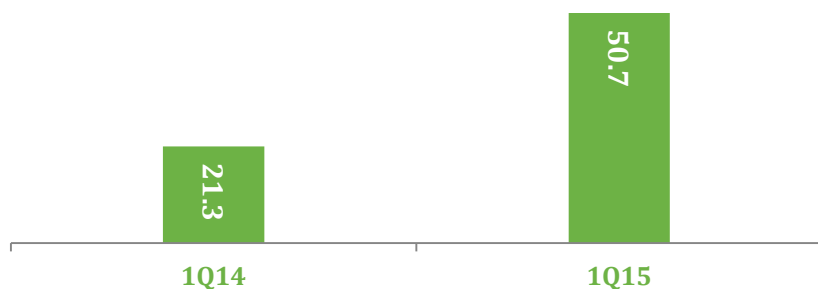
ACST operates a chain of 18 outlets under the Dina Farms brand name.

Capitalizing on a fragmented retail landscape in Egypt

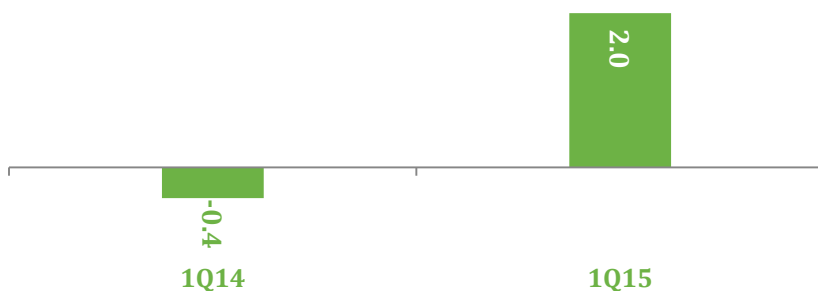
Serving increasingly savvy consumers who are in demand of high quality supermarkets

# Dina Farms Retail - ACST

**ASCT  
Revenues**  
(EGP mn)



**ASCT  
EBITDA**  
(EGP mn)



**18 total retail stores**, up 125% vs 1Q14

Total retail space of **6,615 sqm** as of 1Q15, up 197% y-o-y

Average rent per month of **EGP 128 per sqm** as of 1Q15

Average like-to-like sales density of **EGP 3,640** per sqm per month in 1Q15

# Under Divestment



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# Agrifoods Investments



**Qalaa Holdings' investments in agrifoods that are earmarked for divestment include the confectioner Rashidi El-Mizan and the farm and fresh milk companies that operate under the Dina Farms brand**

Dina Farms is the largest private-sector farm in Egypt (c.10,000 acres)

Rashidi El Mizan is a leading fast-moving consumer goods (FMCG) business

Dina Farms revenues of EGP 103.6 mn in 1Q15, a 9% increase y-o-y

Dina Farms is the largest private sector dairy farm in Egypt with a total herd of 16,200 cows of which 7,108 are milking cows

Owns leading Egyptian and Sudanese food brands, many with regional export presences

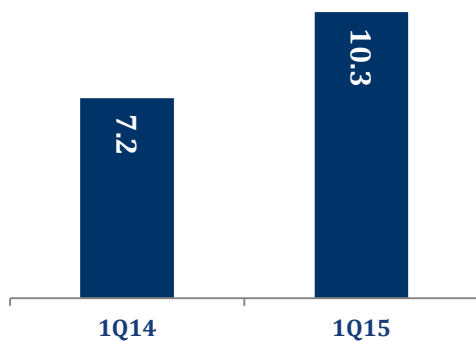
Rashidi El-Mizan revenues of EGP 127.9 mn in 1Q15, a 20% increase y-o-y

ICDP (Dina Farms fresh milk) revenues of EGP 29 mn in 1Q15, up 22% y-o-y

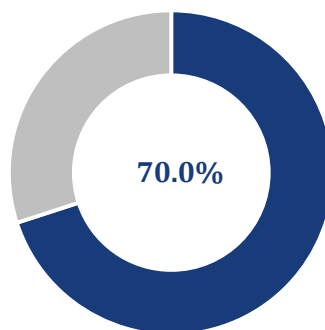
# Microfinance: Tanmeyah



**Tanmeyah  
Net Income**  
(EGP mn)



**Qalaa Holdings Ownership Stake**



Current loan portfolio of EGP 403 mn as of 1Q15

Total loans issued during 1Q15 amounted to EGP 185.5 mn

92,119 active borrowers as of 1Q15

# Our Markets



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# The Middle East Offers a Number of Compelling Fundamentals

## Policies Beneficial to the Private Sector

- Many regional governments are actively pursuing economic diversification and infrastructure spending programs
- Government legislative and fiscal support for private sector development

## Demographic Considerations

- Third-largest population in the world with >350 mn consumers
- A fast-growing and essentially un-leveraged consumer class
- A young, educated labor pool

## Natural Resources & Industry Growth

- The Gulf and North Africa are oil and natural gas rich; have abundant raw materials to support the cement and mining industries among others
- Energy-intensive industries are shifting from Southern Europe to North Africa

## Economic Considerations

- The majority of ME countries are classified as middle-to high-income economies
- Oil importing countries have diverse economies and thus are shielded from recent fluctuations of oil prices.
- Strong sovereign fiscal positions
- A sound regional banking system

# In Africa, Challenges = Opportunity for Investors, Particularly in Infrastructure

**+50%**

Of the sale price of goods is accounted for by transport costs

**59%**

of Africa's population is 6 hours or more from a major urban area

**61%**

Of global uncultivated land is in Africa

**10%**

The WEF estimates that only 43% of Africa's population has household electricity; in rural sub-Saharan Africa that rate falls to only 10% on average

**2040: Africa to have the world's largest working-age population — and growing faster than China and India**

**Increased urbanization, growing consumer markets, and broader ties to the global economy are putting additional pressure on the need for African economies to invest more in infrastructure**

**Governments across the region are opening previously hands-off strategic sectors to private equity, including: power generation. Energy distribution, refining and large transportation projects**

**US\$ 300 billion**

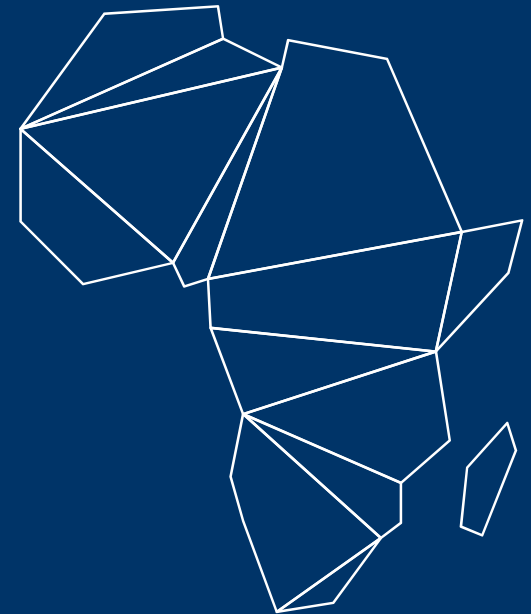
The World Bank estimates that Africa needs an investment of US\$ 300 billion into its power sector to maintain economic growth at current levels

**US\$ 860 billion**

Consumer market in 2008 fueled by over 1 billion consumers

**US\$ 1.86 trillion**

The WEF estimates that Africa needs US\$ 93 billion annually until 2020 for infrastructure development



# Highlights



QALAA  
HOLDINGS  
القلاة

AFRICAN LEADER IN  
INFRASTRUCTURE & INDUSTRY

# Financial Highlights

<b>Income Statement Highlights</b> <i>(EGP mn unless otherwise stated)</i>		<b>1Q14</b>	<b>1Q15</b>
Revenues		1,366.9	1,947.5
EBITDA		29.0	275.8
Net Profit (Loss) for the Period		(231.9)	(112.2)
<b>Balance Sheet Highlights</b>		<b>31 Dec 2014</b>	<b>31 March 2015</b>
Total Assets		32,415.2	34,247.5
Total Bank Debt		8,731.9	14,280.04
Total Equity		14,375.0	15,051.4



# Financial Highlights – 1Q15 Consolidated Income Statement

			Core							Non Core				Elimination	1Q 2015
			Energy				Cement	Transportation & Logistics	Mining	Agrifoods		Microfinance	Others		
			TAQA Arabia	Tawazon	ERC	Mashreq	ASEC Holding	Nile Logistics & Africa Railways	ASCOM*	Gozour	Wafra	Tanmeyah	Miscellaneous^		
Revenue	-	3.6	526.5	38.1	-	-	809.4	179.4	-	318.7	0.8	28.2	42.7	-	1,947.5
Cost of Sales	-	(2.7)	(445.1)	(28.8)	-	-	(596.7)	(154.6)	-	(209.4)	0.6	-	(36.3)	-	(1,473.1)
Gross Profit	-	0.9	81.4	9.3	-	-	212.7	24.8	-	109.3	1.5	28.2	6.4	-	474.5
Advisory fee	21.8	2.0	-	-	-	-	-	-	-	-	-	-	-	(20.7)	3.2
Share in Associates' Results	-	-	-	-	-	-	27.8	1.0	3.5	-	-	-	-	2.5	34.8
Total Operating Profit	21.8	3.0	81.4	9.3	-	-	240.5	25.8	3.5	109.3	1.5	28.2	6.4	(18.2)	512.4
SG&A	(37.0)	(10.0)	(26.3)	(3.3)	(8.5)	(3.6)	(63.3)	(22.9)	-	(57.8)	(3.4)	(17.7)	(7.1)	19.6	(241.2)
Other Income/Expenses (Net)	-	(0.3)	1.1	0.1	-	-	4.3	-	-	0.3	0.4	1.0	-	-	2.7
EBITDA (before one-offs)	(15.1)	(7.3)	56.2	6.1	(8.5)	(3.6)	181.5	2.9	3.5	51.7	(1.5)	11.5	(0.7)	1.4	273.8
SG&A (Non recurring)	(2.5)	-	-	-	-	-	-	-	-	-	-	0.1	-	-	2.0
EBITDA	(17.6)	(7.3)	56.2	6.1	(8.5)	(3.6)	181.5	2.9	3.5	51.7	(1.5)	11.7	(0.7)	1.4	275.8
Depreciation & Amortization	(0.5)	-	(9.4)	(2.5)	(0.1)	-	(37.4)	(25.4)	-	(21.8)	(1.7)	(1.2)	(3.5)	(1.9)	(105.5)
EBIT	(18.1)	(7.3)	46.8	3.6	(8.6)	(3.6)	144.2	(22.5)	3.5	29.9	(3.2)	10.5	(4.3)	(0.5)	170.3
Bank Interest Expense	(31.0)	(6.2)	(14.0)	(0.5)	-	-	(65.6)	(24.8)	-	(15.1)	-	-	(9.8)	1.2	(165.8)
Bank PIK	-	(5.8)	-	-	-	-	(19.3)	-	-	-	-	-	-	-	(25.0)
One Time Bank Fees (ERC-PIK)	-	-	-	-	(10.6)	-	-	-	-	-	-	-	-	-	(10.6)
Shareholder PIK Interest (ASEC Holding Convertible)	-	(19.4)	-	-	(1.7)	-	(2.9)	(3.3)	-	(4.4)	-	-	(7.3)	37.2	(1.9)
Interest Income	23.8	8.7	15.8	-	0.7	-	1.8	-	-	0.1	-	1.4	0.1	(31.0)	21.4
Lease Payments	-	-	-	-	-	-	-	(2.1)	-	(1.3)	-	-	-	-	(3.4)
EBT (before one-offs)	(25.3)	(30.0)	48.5	3.1	(20.3)	(3.6)	58.2	(52.7)	3.5	9.3	(3.2)	11.9	(21.3)	6.9	(15.1)
Gain (Loss) on Sale of Investments	(5.3)	(68.5)	-	-	-	-	-	-	-	-	-	-	-	63.3	(10.5)
Impairments/Write-downs	-	(4.2)	(0.7)	(0.3)	-	-	-	-	-	-	-	-	-	1.1	(4.1)
Restructuring/Layoffs	-	-	(1.7)	-	-	-	-	(7.7)	-	-	-	-	-	-	(9.4)
CSR	(2.0)	-	(1.6)	-	-	-	(2.5)	-	-	-	-	(0.3)	-	-	(6.4)
Provisions	-	(2.9)	(2.1)	-	-	-	(7.1)	(0.2)	-	(1.6)	-	-	-	-	(13.8)
Discontinued Operations **	-	-	-	-	-	-	(7.4)	-	-	(51.1)	-	-	-	-	(58.6)
FOREX	40.2	(1.3)	-	(0.3)	(0.3)	1.2	(78.8)	(33.5)	-	10.4	1.7	-	(15.6)	20.8	(53.1)
EBT	(7.6)	(104.3)	42.4	2.5	(20.6)	(2.4)	(37.6)	(94.1)	3.5	(33.1)	(1.5)	11.6	(36.9)	92.0	(170.9)
Taxes	(0.1)	-	(18.5)	0.3	-	-	(18.2)	-	-	(5.0)	-	(1.3)	0.4	(1.3)	(41.2)
Net P/L Before Minority Share	(7.5)	(104.3)	23.9	2.8	(20.6)	(2.4)	(55.8)	(94.1)	3.5	(38.1)	(1.5)	10.3	(36.5)	93.3	(212.0)
Minority Interest	-	-	7.9	1.4	(4.4)	(0.8)	31.4	(11.3)	-	-	0.001	-	(2.1)	(121.8)	(99.8)
Net Profit (Loss)	(7.5)	(104.3)	16.0	1.4	(16.2)	(1.6)	(87.2)	(82.8)	3.5	(38.1)	(1.48)	10.3	(34.4)	215.2	(112.3)

\* ASCOM, which is Qalaa Holdings' core-platform company for the mining industry, is not fully consolidated but instead is treated as a share of associates as per the equity method of consolidation.

\*\* Discontinued operations include ESACO, Djelfa (ASEC Cement), El-Aguizy, Elmsireen, Enjoy, Mom's Foods (all Gozour) and Crondall (Misc.)

^ Miscellaneous includes United Foundries, Designopolis & Crondall



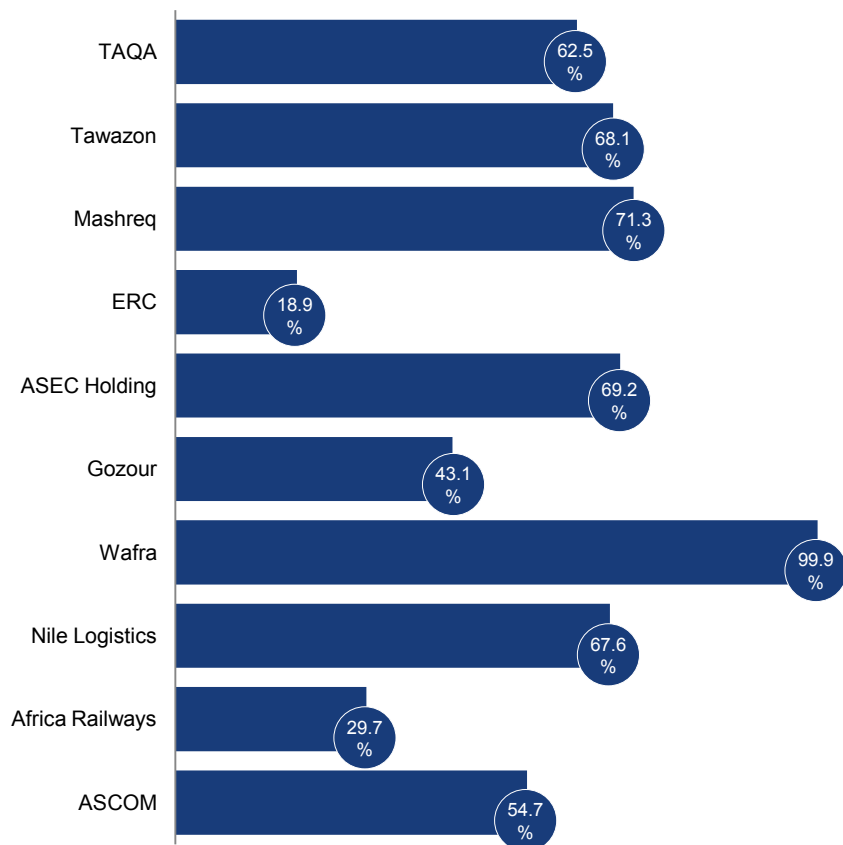
# Financial Highlights – 1Q15 Consolidated Balance Sheet

	QH	Core							Non Core				Eliminations/ SPVs	1Q 2015	FY 2014
		Energy				Cement	T & L		Agrifoods						
		ERC	TAQA Arabia	Tawazon	Mashreq	ASEC Holding	Nile Logistics	Africa Railways	Gozour	Wafra	Tanmeyah	Misc *			
<b>Current Assets</b>															
Trade and Other Receivables	5.1	-	398.8	51.4	-	164.7	19.3	182.0	109.4	0.1	22.0	48.6	54.2	1,055.6	3,163.5
Inventory	-	-	95.2	46.4	-	615.3	10.7	116.9	180.5	7.2	-	37.1	-	1,109.4	1,047.2
Assets Held For Sale	-	-	5.0	-	-	1,065.6	-	-	134.2	-	-	-	138.7	1,343.5	1,382.9
Cash and Cash Equivalents	282.3	749.5	495.8	5.3	18.0	112.3	3.1	268.7	26.6	0.7	67.2	4.4	11.4	2,045.4	2,182.1
Others	1,813.5	11.9	575.8	34.4	0.9	582.5	53.1	165.6	205.3	18.0	8.1	167.1	(1,427.1)	2,209.0	207.8
<b>Total Current Assets</b>	<b>2,100.9</b>	<b>761.4</b>	<b>1,570.6</b>	<b>137.5</b>	<b>18.9</b>	<b>2,540.4</b>	<b>86.2</b>	<b>733.1</b>	<b>656.0</b>	<b>26.1</b>	<b>97.3</b>	<b>257.2</b>	<b>(1,222.8)</b>	<b>7,762.9</b>	<b>7,983.5</b>
<b>Non-Current Assets</b>															
PP&E	23.0	12,717.0	493.9	91.7	117.4	2,889.5	605.9	129.7	965.7	233.6	9.6	256.0	586.3	19,119.3	17,866.9
Investments	8,843.5	-	-	-	1.4	950.0	7.2	-	3.4	-	-	342.6	(7,605.9)	2,542.1	2,517.5
Goodwill / Intangible assets	-	-	401.6	32.6	46.7	198.0	-	754.6	276.3	-	-	24.6	1,445.3	3,179.7	2,986.9
Others	622.5	1,093.4	31.6	-	-	46.8	-	-	197.2	-	6.3	127.0	(481.3)	1,643.5	1,060.5
<b>Total Non-Current Assets</b>	<b>9,489.0</b>	<b>13,810.4</b>	<b>927.1</b>	<b>124.3</b>	<b>165.5</b>	<b>4,084.3</b>	<b>613.1</b>	<b>884.3</b>	<b>1,442.5</b>	<b>233.6</b>	<b>15.9</b>	<b>750.2</b>	<b>(6,055.7)</b>	<b>26,484.6</b>	<b>24,431.8</b>
<b>Total Assets</b>	<b>11,589.9</b>	<b>14,571.8</b>	<b>2,497.7</b>	<b>261.7</b>	<b>184.4</b>	<b>6,624.8</b>	<b>699.2</b>	<b>1,617.4</b>	<b>2,098.5</b>	<b>259.6</b>	<b>113.3</b>	<b>1,007.4</b>	<b>(7,278.4)</b>	<b>34,247.5</b>	<b>32,415.2</b>
<b>Shareholders' Equity</b>															
<b>Total Equity Holders of the Company</b>	<b>8,557.1</b>	<b>3,614.5</b>	<b>926.56</b>	<b>94.3</b>	<b>147.2</b>	<b>(866.6)</b>	<b>(56.1)</b>	<b>(218.8)</b>	<b>353.2</b>	<b>(331.2)</b>	<b>39.6</b>	<b>66.0</b>	<b>(8,738.7)</b>	<b>3,587.1</b>	<b>3,421.4</b>
Minority Interest	-	3,379.9	266.0	49.7	25.9	1,913.2	43.0	-	-	(8.6)	-	-	2,512.6	8,181.7	8,804.8
<b>Total Equity</b>	<b>8,557.1</b>	<b>6,994.4</b>	<b>1,192.57</b>	<b>144.0</b>	<b>173.1</b>	<b>1,046.6</b>	<b>(13.1)</b>	<b>(218.8)</b>	<b>353.2</b>	<b>(339.8)</b>	<b>39.6</b>	<b>66.0</b>	<b>(6,226.1)</b>	<b>11,768.9</b>	<b>12,226.2</b>
<b>Current Liabilities</b>															
Borrowings	1,158.2	-	126.6	20.1	-	444.4	286.2	254.9	386.8	27.8	-	99.4	614.5	3,419.1	2,753.3
Trade and Other Payables	782.2	1,207.6	837.7	57.8	7.5	1,164.4	286.4	244.2	771.2	547.9	72.6	410.2	(1,673.4)	4,717.3	3,987.7
Provisions	190.7	-	28.5	31.0	3.8	174.6	7.3	-	21.5	2.0	1.1	8.7	21.8	491.2	489.6
Liabilities Held For Sale	-	-	-	-	-	516.2	-	-	454.2	-	-	-	-	970.4	937.9
<b>Total Current Liabilities</b>	<b>2,131.1</b>	<b>1,207.6</b>	<b>992.97</b>	<b>108.9</b>	<b>11.3</b>	<b>2,300.6</b>	<b>579.9</b>	<b>499.2</b>	<b>1,633.6</b>	<b>577.8</b>	<b>73.7</b>	<b>518.3</b>	<b>(1,037.0)</b>	<b>9,598.0</b>	<b>8,168.5</b>
<b>Non-Current Liabilities</b>															
Borrowings	901.7	5,869.4	128.4	-	-	1,916.0	131.3	1,398.6	86.6	21.6	-	180.6	201.1	10,835.4	10,828.9
Shareholder Loan	-	-	-	-	-	1,290.9	-	-	-	-	-	234.9	(728.9)	796.9	792.8
Long-Term Liabilities	-	500.3	183.8	8.8	-	70.6	1.2	(61.6)	25.1	-	-	7.6	512.5	1,248.4	399.0
<b>Total Non-Current Liabilities</b>	<b>901.7</b>	<b>6,369.8</b>	<b>312.19</b>	<b>8.8</b>	<b>-</b>	<b>3,277.5</b>	<b>132.4</b>	<b>1,337.1</b>	<b>111.7</b>	<b>21.6</b>	<b>-</b>	<b>423.1</b>	<b>(15.2)</b>	<b>12,880.6</b>	<b>12,020.6</b>
<b>Total Liabilities</b>	<b>3,032.8</b>	<b>7,577.4</b>	<b>1,305.16</b>	<b>117.7</b>	<b>11.3</b>	<b>5,578.1</b>	<b>712.3</b>	<b>1,836.2</b>	<b>1,745.3</b>	<b>599.4</b>	<b>73.7</b>	<b>941.4</b>	<b>(1,052.3)</b>	<b>22,478.6</b>	<b>20,189.0</b>
<b>Total Equity and Liabilities</b>	<b>11,589.9</b>	<b>14,571.8</b>	<b>2,497.72</b>	<b>261.7</b>	<b>184.4</b>	<b>6,624.8</b>	<b>699.2</b>	<b>1,617.4</b>	<b>2,098.5</b>	<b>259.6</b>	<b>113.3</b>	<b>1,007.5</b>	<b>(7,278.4)</b>	<b>34,247.5</b>	<b>32,415.2</b>

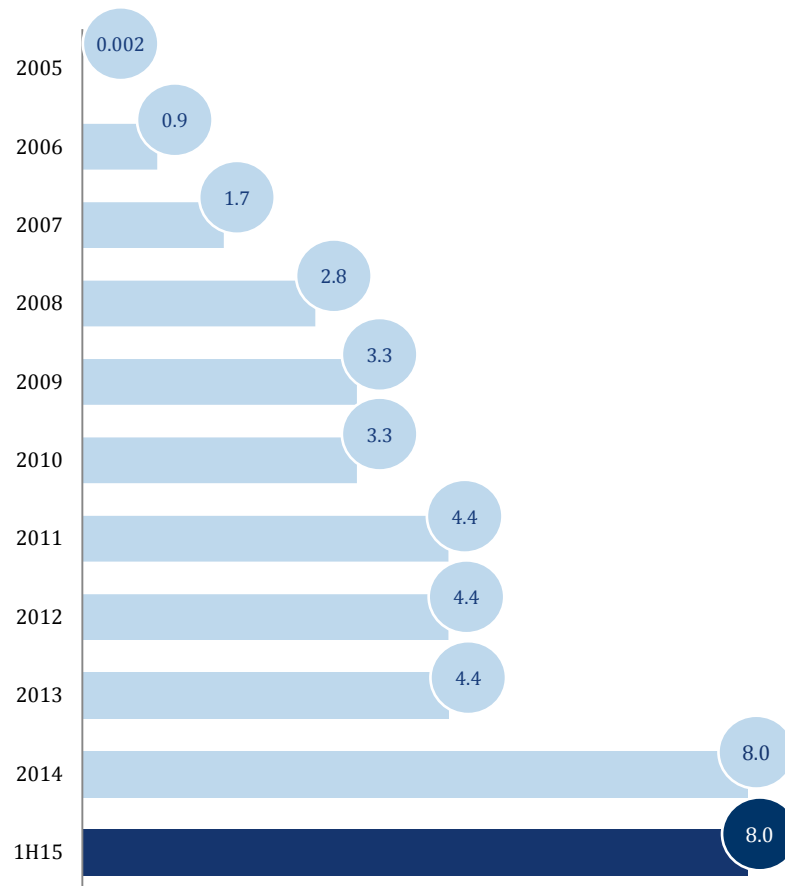
\* Miscellaneous includes United Foundries, Designopolis & Crondall

# Ownership & Paid-in Capital Highlights

## Qalaa Holdings Ownership Stakes



## Paid-in Capital (EGP bn)



# Board of Directors

## Executive Board Members (Representing CCP)

**Ahmed Heikal**

**Hisham El-Khazindar**

**Karim Sadek**

**Amr El Garhy**

**Mohamed Shoeib**

**Moataz Farouk**

## Non-Executive Board Members

**Magdy El Desouky** *(Independent)*

**Osama Hafez** *(Independent)*

**Philip Blair Dundas** *(Independent)*

**Ragheed Najeeb Shanti** *(Representing EIIC)*

**Robert Wages** *(Representing EIIC)*

**Joseph Eskandar** *(Representing CCP)*

# Citadel Capital Partners Management Agreement

<b>Parties</b>	<ul style="list-style-type: none"> <li>▪ Citadel Capital Partners LTD (“Citadel Partners”) and Qalaa Holdings S.A.E (“Company”)</li> </ul>
<b>Citadel Partners Undertaking</b>	<ul style="list-style-type: none"> <li>▪ Citadel Partners will be providing the Company with management services including but not limited to directing i) its management and operations, ii) the identification and structuring of potential private equity investment opportunities and iii) the supervision and subsequent exits of investments made by the company</li> <li>▪ Citadel Partners will provide the Company with the management services through secondment of the Partners owning shares in Citadel Partners (“Partner”) to the Company</li> <li>▪ Each Partner undertakes that he won’t be involved in any companies directly or indirectly that are competing with the Company in the MENA region</li> </ul>
<b>Management Fee</b>	<ul style="list-style-type: none"> <li>▪ The Company pays Citadel Partners a bonus equal to 10% of the Company’s net profits</li> </ul>
<b>Term of Agreement</b>	<ul style="list-style-type: none"> <li>▪ This agreement has been effective since January 1, 2008 and will remain in effect as long as Citadel Partners remains owning 15% or more preferred shares of the Company’s issued shares</li> </ul>
<b>Options</b>	<ul style="list-style-type: none"> <li>▪ 1.95% of the outstanding shares of the company annually, since approval in 2008, for 7 years</li> <li>▪ Total number of shares that can be issues under the program is 119,000,000 shares, at an exercise price of LE7.06 per share</li> </ul>
<b>Lock-up Period</b>	<ul style="list-style-type: none"> <li>▪ Citadel Partners has agreed to a lock up of its ordinary shares in the company for a period of 7 years as of August 2007, subject to a permitted sell down as follows: <ul style="list-style-type: none"> <li>▪ 20% Starting August 2007</li> <li>▪ 20% Starting May 2008</li> <li>▪ 10% Starting May 2009 (with a recurrent 10% annually through to and including May 2014)</li> </ul> </li> <li>▪ Citadel Partners agrees not to sell any of the preferred shares to a third party</li> </ul>



# Thank You

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