

# Qalaa Holdings

## Investor Presentation



QALAA  
HOLDINGS  
القلعة

AFRICAN LEADER IN  
INFRASTRUCTURE & INDUSTRY

February 2017

*Strictly Private and Confidential*

*All Figures as of 3Q16 Unless Otherwise Stated*

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# Overview



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# Qalaa Holdings at a Glance

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

Building businesses in the core industries that will define our region's future, including refining, energy distribution and transportation and logistics

Implementing an asset divestment program in order to devote maximum bandwidth to high-growth businesses

Undergoing a deleveraging program whereby proceeds from exited investments are in-part allocated to reducing debt levels at platform and holding company levels

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

+16,000 employees across the organization

3Q16 Revenues of EGP 1,792.9 mn vs. EGP 1,481.3 mn (adjusted\*) in 3Q15

3Q16 EBITDA of EGP 85.7 mn vs. EGP 125.9 mn (adjusted\*) in 3Q15

3Q16 Net Loss after Minority Interest of EGP 207.6 mn vs. 3Q15 loss of EGP 135.7 mn

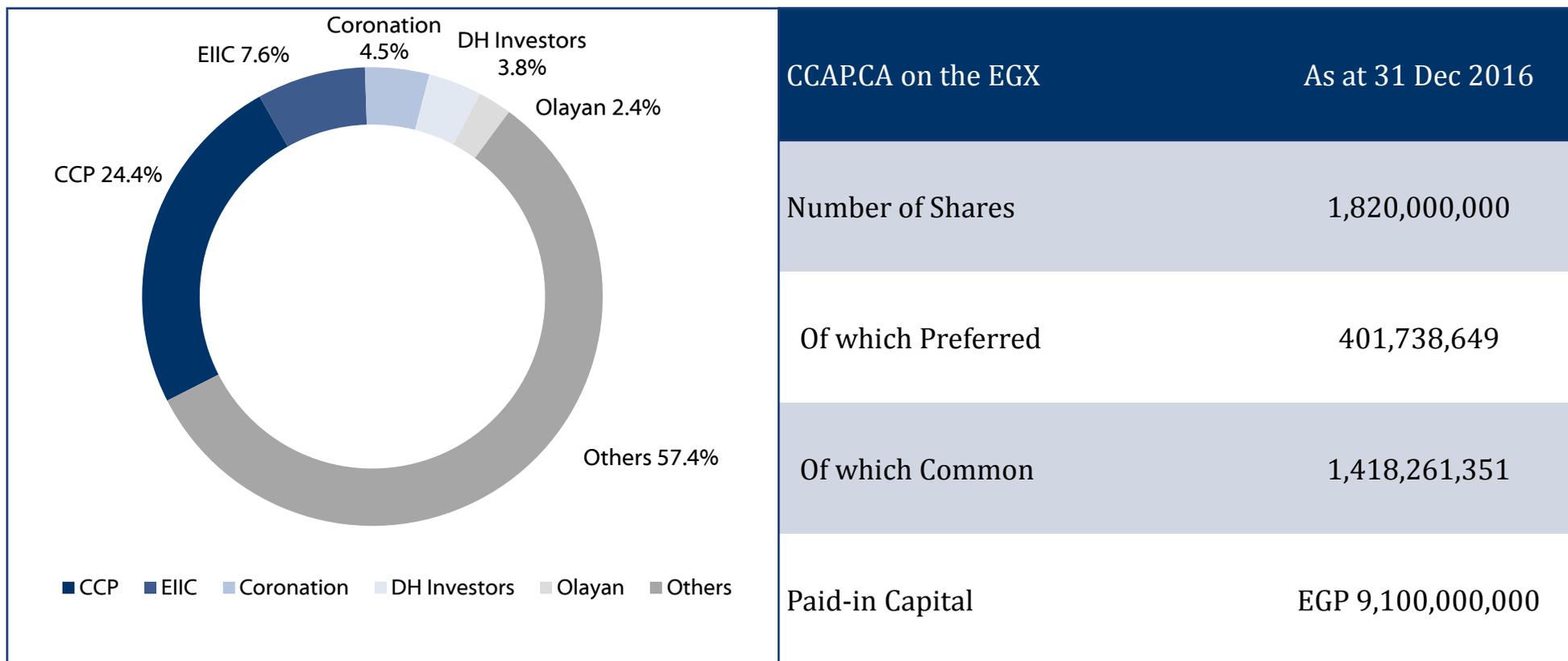
Total bank debt (as at 30 Sep 2016) stood at EGP 20.7 bn, of which EGP 14.9 bn was related to ERC\*\*

Total Equity of EGP 10.9 bn & Total Assets of EGP 42.4 bn as at 30 Sep 2016

\* To facilitate the comparison of year-on-year financial results, income statement figures for 2015 have been adjusted to reflect the divestment of ASEC Minya, ASEC Ready-Mix, Misr Qena Cement, Rashidi El-Mizan, Tanmeyah, and Mashreq by eliminating their figures from the consolidated results.

\*\*ERC is Egyptian Refining Company, a greenfield second-stage refinery under Qalaa's energy platform

# Qalaa Holdings Ownership Structure

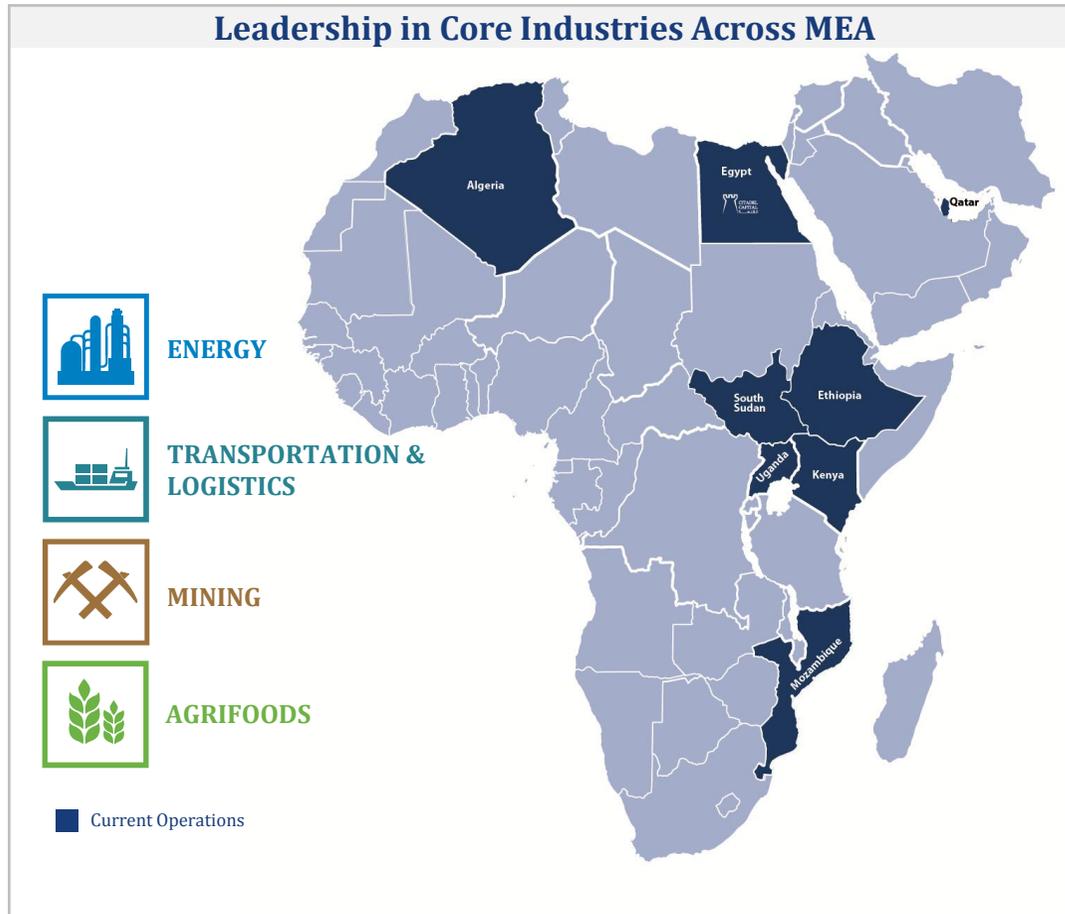


**Please note:**

- CCP is owned by the senior management of Qalaa Holdings
- 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.

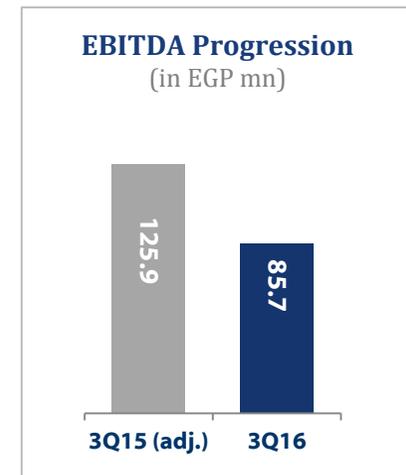
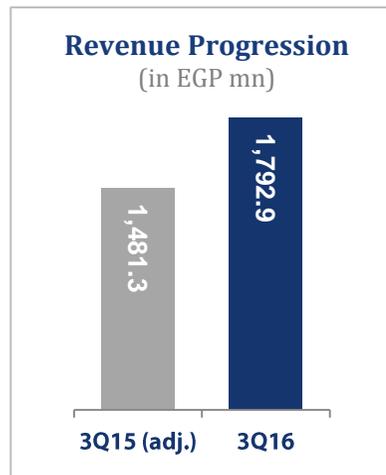


**Deep Regional Knowledge, Strong Industry Know-How**

**Experienced and Dedicated Management Team**

**EGP 9.1 bn**  
Paid-in capital

**EGP 2.0 bn<sup>^</sup>**  
Market capitalization



<sup>^</sup> As of February 9, 2017 – Share price of EGP 1.12

# Core Industries at a Glance

## Energy

### 45% of Consolidated Revenues in 3Q16

- 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.
- 3 core subsidiaries: 2 operational with multiple active portfolio companies (TAQA Arabia & Tawazon; 1 greenfield in progress (ERC).

**Footprint:** Egypt, Qatar



## Transportation & Logistics

### 1% of Consolidated Revenues in 3Q16

- Investments in railway and river transport.
- Activities include freight and commuter rail services, logistics, river transport services, port management, stevedoring, feeder services in Port Said.
- 1 core subsidiaries with multiple active portfolio companies.

**Footprint:** Egypt, South Sudan



## Mining

### 9% of Consolidated Revenues in 3Q16

- 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)
- Gold concession in Ethiopia at the prefeasibility study phase
- 1 core subsidiary with multiple active portfolio companies

**Footprint:** Algeria, Egypt, Ethiopia



## Agrifoods

### 11% of Consolidated Revenues in 3Q16

- Investments in agrifoods include the farm and fresh milk companies operating under Dina Farms brand
- Capitalizing on a fragmented retail landscape in Egypt, serving higher-end consumers in demand of high quality products
- Investment operates chain of 16 outlets under the Dina Farms brand name

**Footprint:** Egypt



# Strategy



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# Key Elements of our Strategy

Qalaa Holdings' current strategy is two-fold; **reducing financial risk** by deleveraging at the holding & platform company levels & **limiting operational risk** through a defined divestment program and focusing on high-growth businesses.

## Transformation Complete

Since 2014, the company has laid the ground work for the completion of its transformation into a holding company through:

- Capital increases:
  - EGP 3.64 billion concluded in April, 2014.
  - EGP 1.1 billion closed in September, 2015.
- Acquiring majority stakes in most of its core subsidiaries and;
- Completing several successful exits on track with the company's asset divestment program (highlighted on slide 11 of this presentation).



## Key Elements of Strategy Going Forward

### Financial & Operational Risk Reduction

#### Deleveraging:

- Deleveraging at the holding and platform company levels.

#### Selective Investments:

- Selective investments within existing platform companies.

#### Share Buybacks:

- Management is mindful of the opportunity to create value through share buybacks, and intends to use the proceeds from exits post deleveraging to acquire Qalaa shares for so long as these trade at a significant discount to their fair market value. Share buybacks could be executed directly through Qalaa Holding or through any of its subsidiaries.

### The Aforementioned Elements are to be Financed & Executed Through Asset Sales:

#### Concluded Exits in 2015 & 2016

- **2015:** Confectioner Rashidi El-Mizan, cheese manufacturer El-Misrieen, ASEC Minya Cement and ASEC Ready Mix as well as Misr Cement Qena.
- **1H16:** Glass manufacturer MGM, Tanmeyah Microenterprises and El Aguizy & Enjoy in the agrifood business.

Negotiations are ongoing for other companies as highlighted on slide 11 of this presentation.

# Divestment Program Update

Qalaa is pressing ahead with plans to divest assets that will allow the company to deleverage and devote maximum focus to high-growth businesses in sectors that are vital to the development of our region.

## Divestments concluded in the last two years

- Sale of **Enjoy** (dairy and juice producer) and **El Aguizy** (agri-product packager and exporter) (2Q16)
- Sale of **Tanmeyah Microenterprise** (1Q16)
- Sale of glass containers producer **Misr Glass Manufacturing (MGM)** (1Q16).
- Sale of confectioner **Rashidi El-Mizan** (4Q15)
- Transfer of **Mashreq** concession (3Q15)
- Sale of cheese manufacturer **El Misrieen** (3Q15)
- Sale of ASEC Cement's stakes in **ASEC Minya Cement & ASEC Ready Mix** (3Q15)
- Sale of 27.5% stake in **Misr Cement Qena** (2Q/3Q15)
- Sale of full 80% stake in **Pharos Holding** (1Q15)
- The sale of 100% of **AAC & AMC**, two companies owned by United Foundries (1Q15)

## Pipeline

The below mentioned companies are subject to full or partial divestment by Qalaa, or alternatively assets within them could be sold separately.



ASEC Cement's subsidiary Djelfa Cement Co. (Algeria)\*



ASEC Engineering, ARESKO, ASEC Automation and ASENPRO (ASEC Holding)

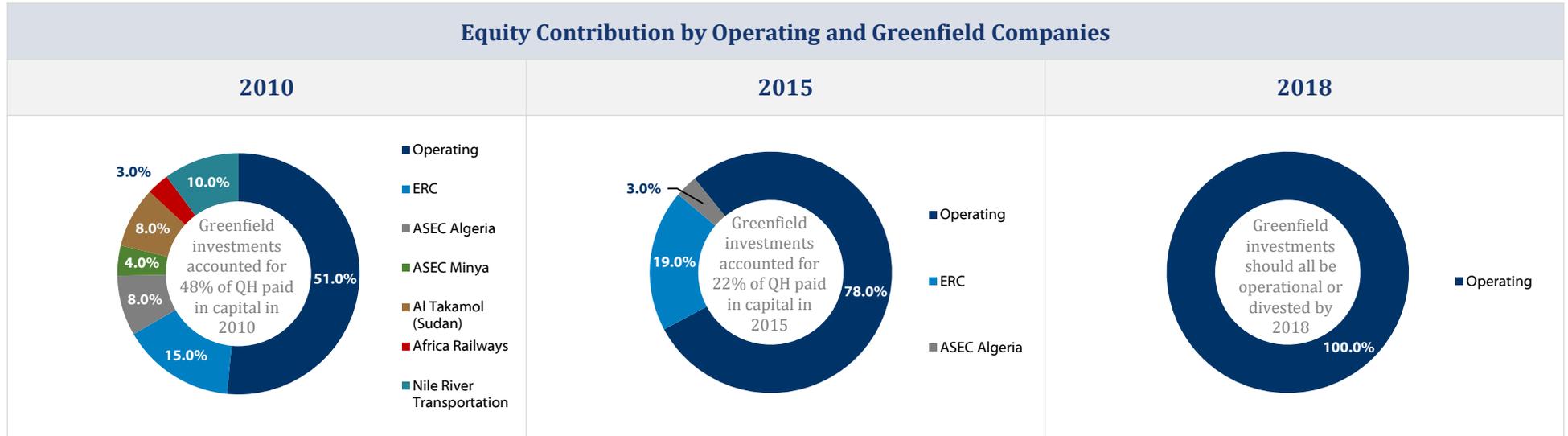


Dina Farms (Gozour)

\*Qalaa Holdings announced in October 2016 the signing of a preliminary share purchase framework agreement to exit Djelfa Cement Co.

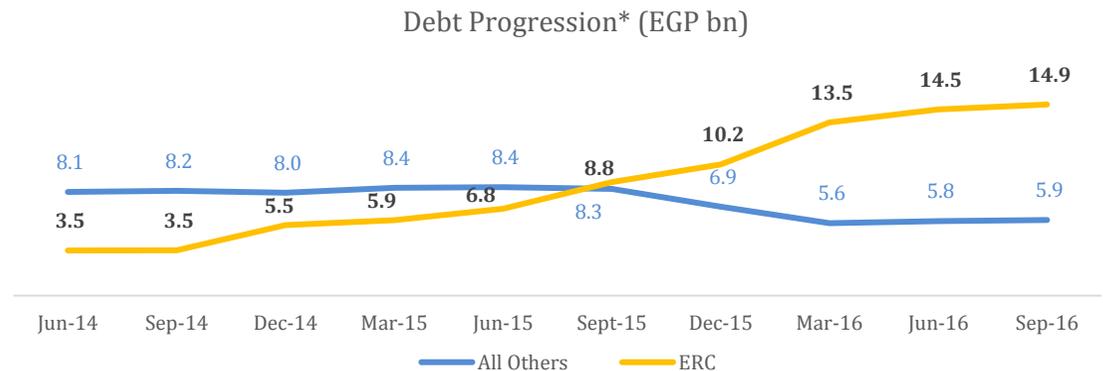
# Qalaa's Bet on Greenfield Projects

Qalaa Holdings made a bet on Greenfield investments that are deemed essential for the region's economic prosperity. Negotiations for ERC, the largest of said investments, started in 2007, and construction on the project reached c.93% overall completion as at February 2017.



- Greenfield projects, turnarounds & political/economic turmoil in Egypt put significant stress on QH and its balance sheet.
- Qalaa's total consolidated debt excluding the Egyptian Refining Company (ERC) reached EGP 5.88 billion as at 30 September 2016. ERC's debt stood at EGP 14.85 billion at 30 September 2016, up EGP 0.4 billion as the company utilized its extended facilities, with project completion reaching c. 91% as at September 2016.

*\*The Debt Progression chart excludes Africa Railways' debt balance owing to its reclassification as liabilities held for sale starting 1Q16.*



# Industries & Companies



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# Overview of 3Q16 Results

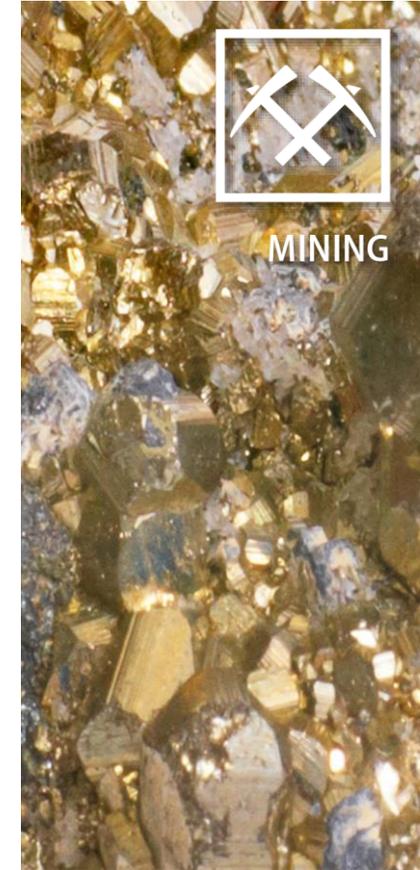
As the leading investment company in Africa and the Middle East, Qalaa Holdings builds businesses in the core industries that will define our region's future: Energy, Transportation & Logistics, Mining, and Agrifoods.



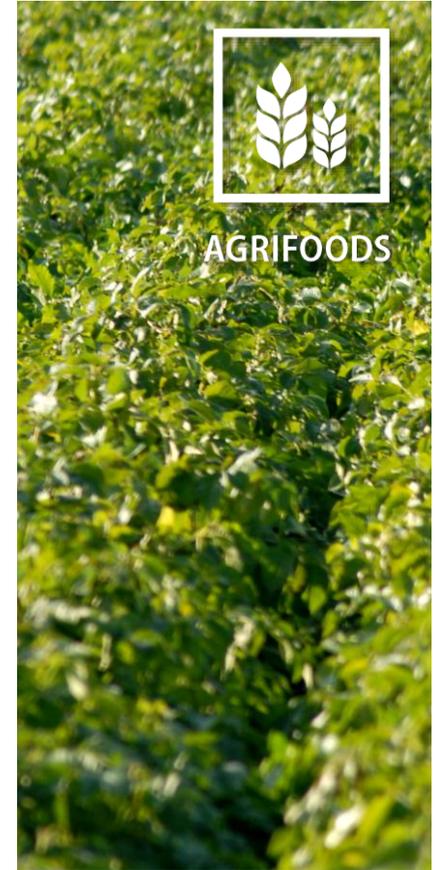
ENERGY



TRANSPORTATION  
& LOGISTICS



MINING



AGRIFOODS

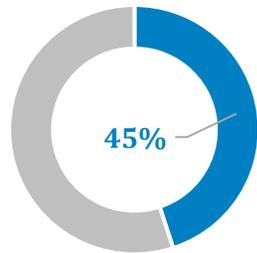
Energy





- 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.
- 3 core subsidiaries: 2 operational (TAQA Arabia and Tawazon) and one greenfield in progress (ERC – c.93% complete as at February 2017).

## % of Consolidated Revenues (3Q16)



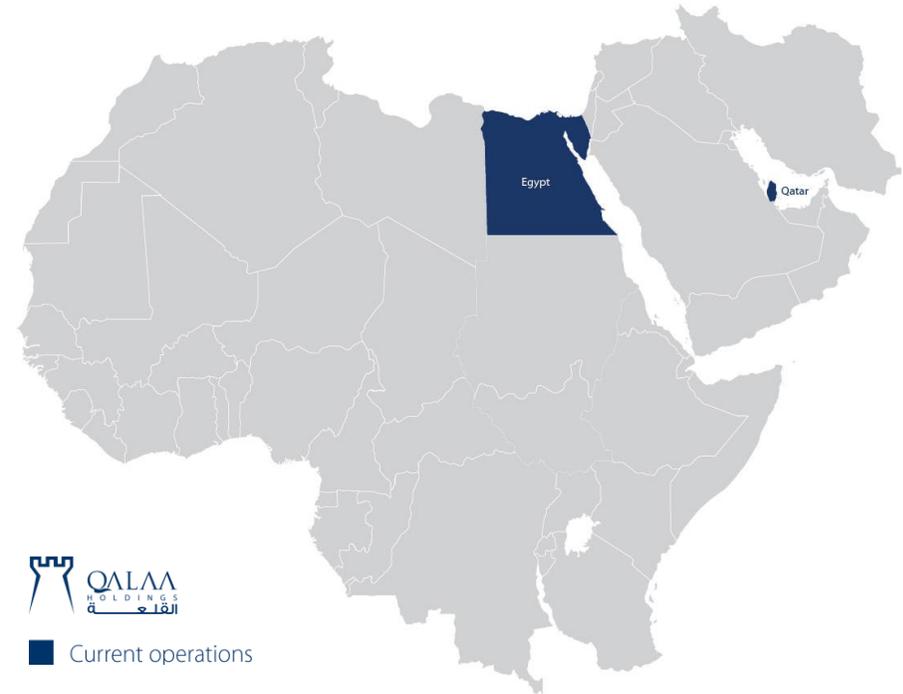
## Revenues

EGP 802.2 mn  
(3Q16)

## EBITDA

EGP 73.6 mn  
(3Q16)

## Energy Sector Footprint



## Platform Companies



tawazon



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

The Government of Egypt is in the process of cutting back on fuel subsidies and deregulating the energy sector

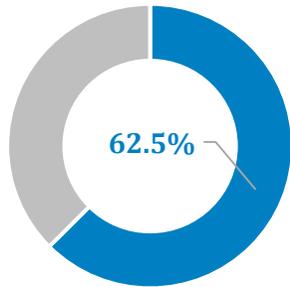
**Qalaa's energy plays that capitalize on these trends: *TAQA Arabia; Tawazon; ERC***

# 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

1,000 MW of contracted distribution and generation capacity

Total converted gas clients since inception stand at c. 800,500 households & c. 170 industrial clients

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

400 MW residential & commercial (all distribution); 220 MW touristic (210 MW distribution & 10 MW generation); 350 MW industrial (300MW distribution & 50 MW generation)

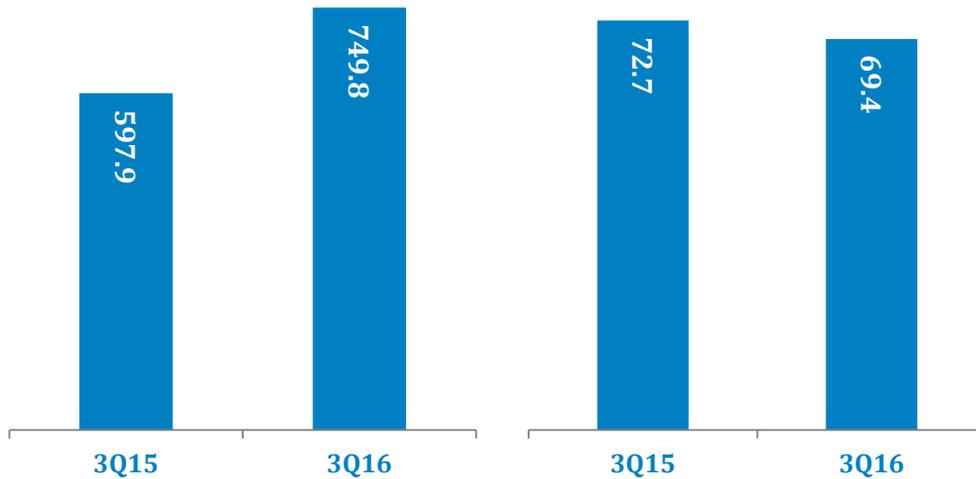
Fast-growing petroleum products distribution including 45 operational fuel & gas stations and one terminal as of September 2016

\* Engineering, Procurement & Construction

# TAQA Arabia's Recent Operational Performance

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

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



Total Electricity Generated (3Q16)  
**91.5 mn kW/hr**

Operational Filling Stations (3Q16)  
**45**

Total Electricity Distributed (3Q16)  
**118.4 mn kW/hr**

Total Lube Distributed (3Q16)  
**1,117 tons**

CNG & Gas Distributed (3Q16)  
**1.0 BCM**

Total Liquid Fuel distributed (3Q16)  
**215.1 mn liters**

Power arm revenues of EGP 170.8 mn in 3Q16, a 10% increase y-o-y

Gas arm revenues of EGP 117.3 mn in 3Q16, a 1% increase y-o-y

TAQA Marketing revenues of EGP 424.1 mn in 3Q16, a 33% increase y-o-y

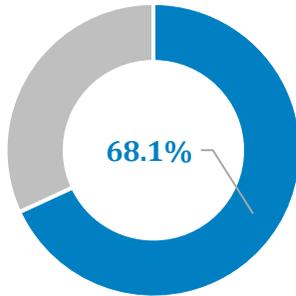
**13,556 Converted Customers**  
in Gas Construction Activities (3Q16)

# Tawazon at a Glance

tawazon

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

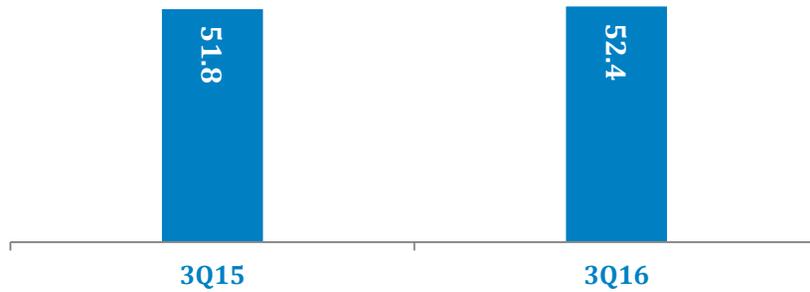
Activities include: Agricultural Solid Waste Management (ECARU); Production of Refuse-Derived Fuel (ECARU); Municipal Solid Waste Management (ECARU); Solid Waste Engineering & Contracting (ENTAG)

Extensive operations in Egypt and an international project book in Oman, Malaysia, Nigeria, Saudi Arabia, and other MENA countries

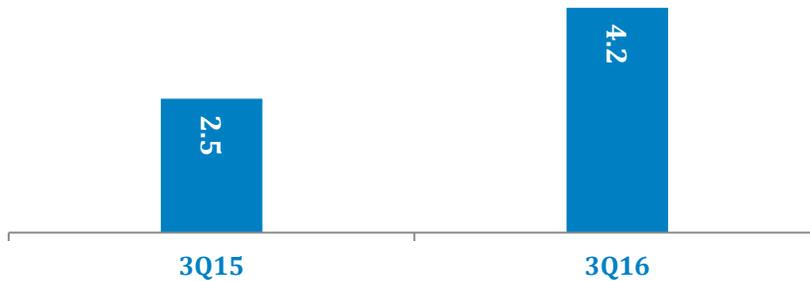
Currently serving multiple contracts with major national cement producers

# Tawazon's Recent Operational Performance

**Tawazon Consolidated Revenues**  
(EGP mn)



**Tawazon Consolidated EBITDA**  
(EGP mn)



ECARU revenues of EGP 46.9 mn in 3Q16, a 4% increase y-o-y

ENTAG revenues of EGP 5.9 mn in 3Q16, a 31% decline y-o-y

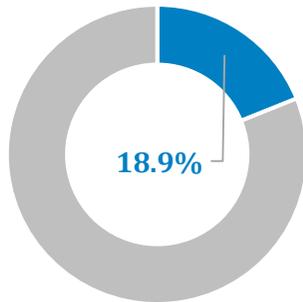
**Total Biomass Supplied (3Q16)**  
**44,283 tons**

# 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



Reached financial close in June 2012

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

Total debt of USD 2.5 bn and total equity of USD 1.13 bn

Total debt withdrawn as at September 2016 c. USD 1.8 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

25-year supply & off-take agreement with EGPC at international prices

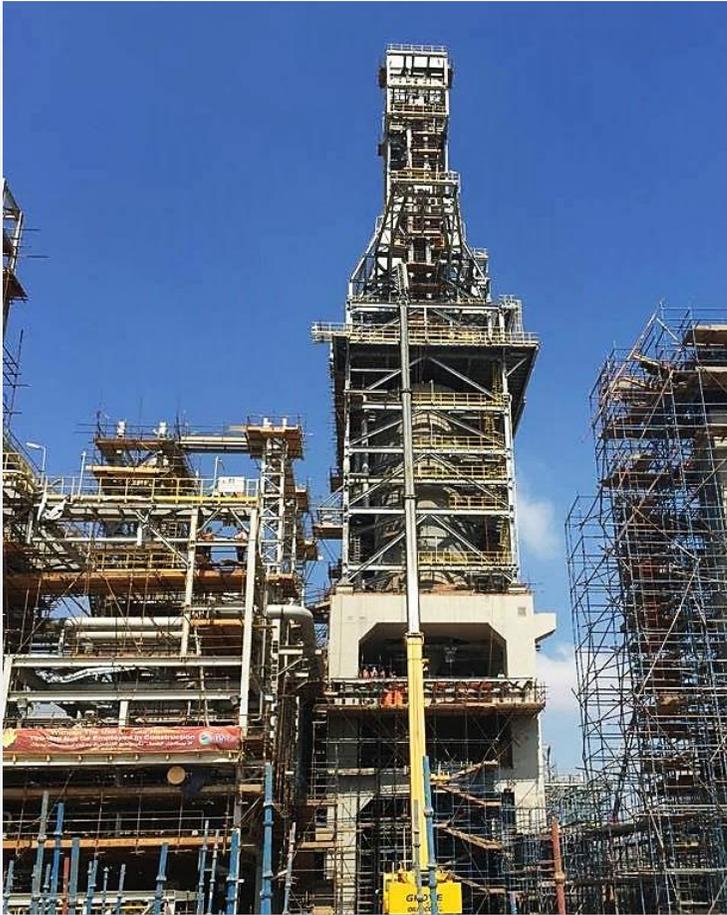
All of ERC's heavy/major equipment have been installed at the site

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

Consortium of GS Engineering & Construction Corp and Mitsui & Co Ltd acting as the contractor for the project

# ERC's Construction Update (February 2017)

## Overall construction progress reached c.93%



**Engineering**

100%

**Procurement**

98.99%

**Construction**

81.65%

# ERC – Site Photos

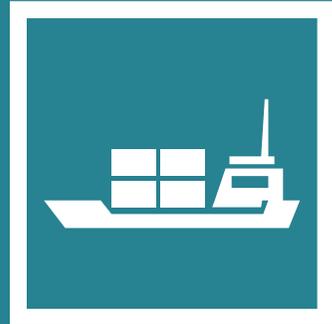


**ERC's Hydro-Cracker Unit (HCU) weighing 1,200 tons and around 45 meters in height**



**ERC's Vacuum Distillation Unit (VDU) weighing c.600 tons and around 53 meters in height**

# Transportation & Logistics

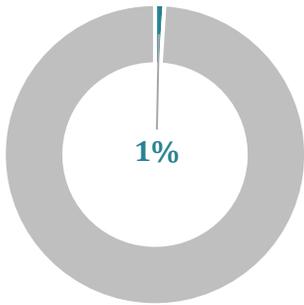


# Transportation & Logistics Overview



- 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.
- Core subsidiary: Nile Logistics (river transportation in Egypt and South Sudan)

## % of Consolidated Revenues (3Q16)



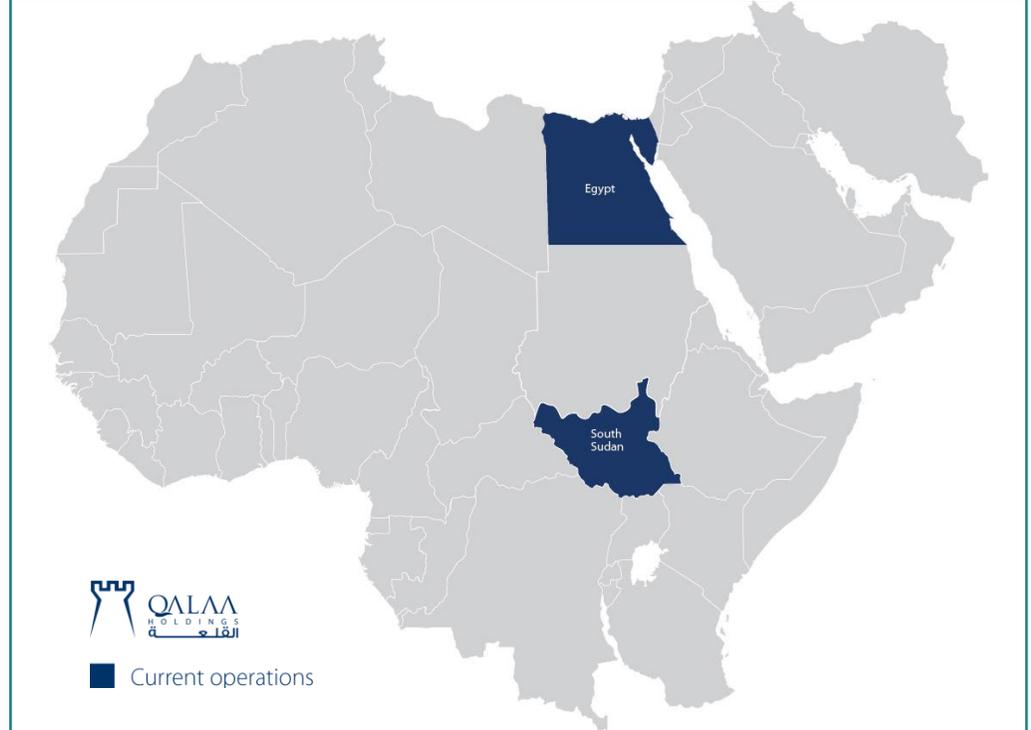
## Revenues

EGP 12.5 mn  
(3Q16)

## EBITDA

EGP (8.7) mn  
(3Q16)

## Transportation & Logistics Sector Footprint



## Platform Company



\*Africa Railways, which owns Rift Valley Railways, the national railway of Kenya and Uganda, has been classified as discontinued operations starting 1Q16

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

Subsidy removal as started by Government of Egypt will force a shift to significantly more economic 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 cement factories, translating into higher transport and stevedoring volumes and allowing margin expansions

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:**  
*Nile Logistics*

\* European Commission

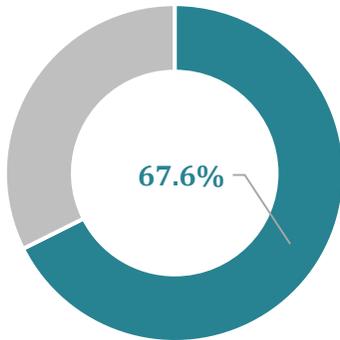


# Nile Logistics at a Glance



**Nile Logistics is a leading logistics service provider in Egypt, Sudan and South Sudan, using river transportation and sea-port services as its backbone operations**

## Qalaa Holdings Ownership Stake



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

**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

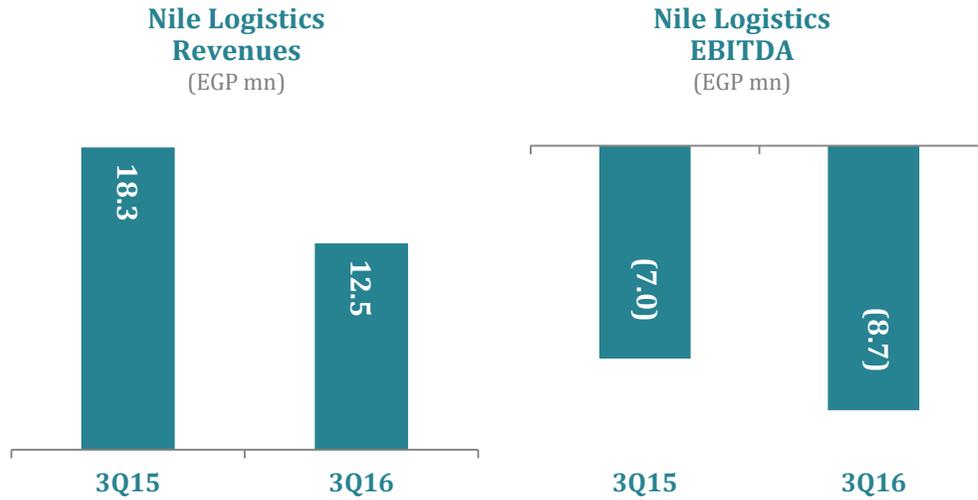
**National for River Ports Management Company ('NRPMC'):** Owns and operates river ports in Egypt that cover the entire length of the Nile; services offered are primarily stevedoring and warehousing

Started stevedoring at several ports throughout Egypt and feeder service activities between Suez Canal Terminal and West Port Said Container Terminal in Egypt in 2014

**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



**178 thousand tons** handled by stevedoring activities across Egypt's ports (3Q16)

**1,575 TEU\*** feeder service activities in Port Said, Egypt in 3Q16

\*Twenty-foot Equivalent Units

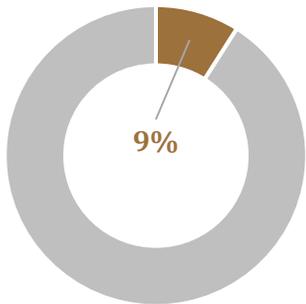
Mining





- 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) and GlassRock.

**% of Consolidated Revenues**  
(3Q16)



### Revenues

EGP 172.8 mn  
(3Q16)

### EBITDA

EGP 12.3 mn  
(3Q16)

## 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; EGP float allows for competitive exports and an import substitution play at improved margins.

**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*



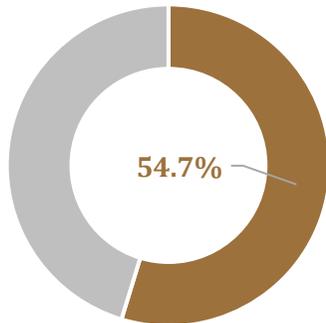
# ASCOM Geology & Mining at a Glance

**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 across multiple countries in the Middle East and Africa

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

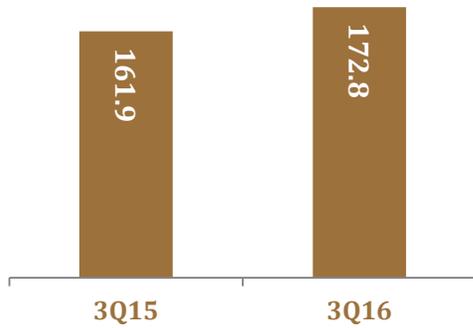
GlassRock Insulation Co. is now targeting rockwool and glasswool exports to key markets, having begun operations in June 2012

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

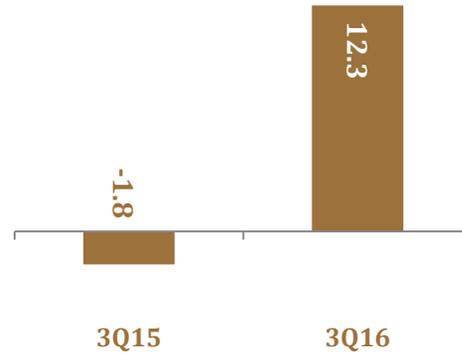
APM holds highly promising gold concessions in Ethiopia – with excellent proven results

# ASCOM's Recent Operational Performance

**ASCOM Revenues**  
(EGP mn)



**ASCOM EBITDA**  
(EGP mn)



ACCM revenues of USD 5.1 mn in 3Q16, an 18% increase y-o-y

GlassRock revenues of USD 0.9 mn in 3Q16, a 20% increase y-o-y

68.9 k tons sold by ACCM in 3Q16

Egypt Quarrying revenues of EGP 92.0 mn in 3Q16, an 8% increase y-o-y

Other Quarry Management revenues (ex. Egypt) of EGP 27.5 mn in 3Q16, a 12% increase y-o-y

7.5 mn tons sold by Egypt's Quarrying Business in 3Q16

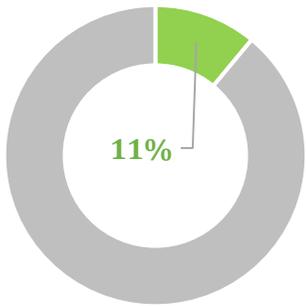
Agrifoods





- Qalaa Holdings' investments in agrifoods aim to overcome challenges facing the agricultural and food production sector in Egypt and the region
- Subsidiary Gozour (multicategory agriculture and consumer foods) operates Dina Farms brand and retail chain

**% of Consolidated Revenues**  
(3Q16)



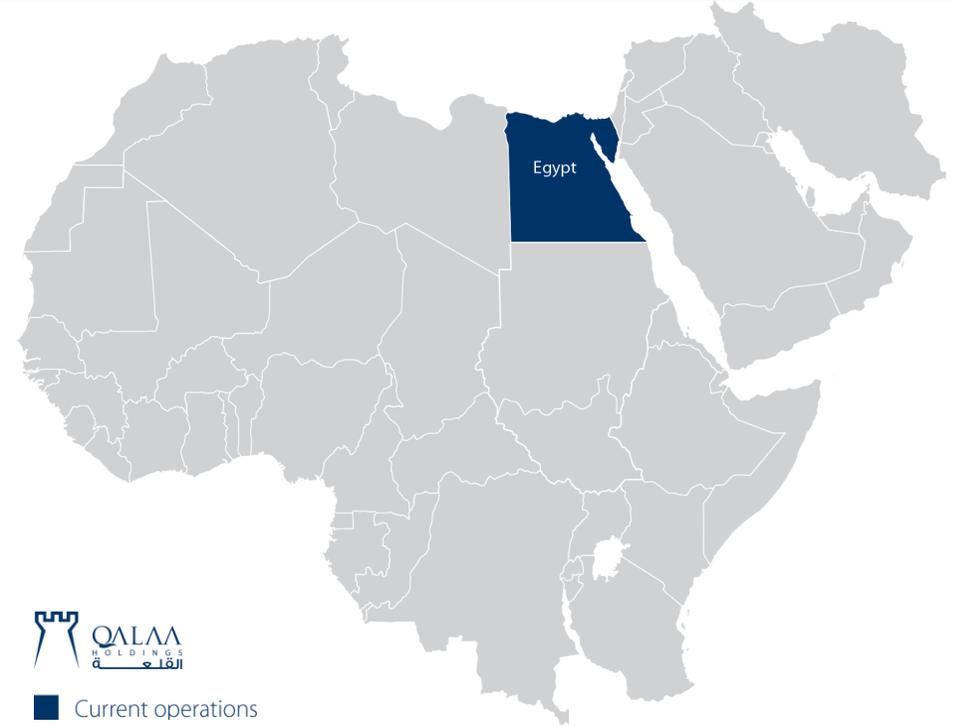
### Revenues

EGP 172.8 mn  
(3Q16)

### EBITDA

EGP 12.3 mn  
(3Q16)

## Agrifoods Sector Footprint



■ Current operations

## Platform Company



# Agrifoods is Supported by Strong Macro Fundamentals

The agricultural and food production sector in Egypt and the region are plagued by inefficient managerial expertise, a lack of economies of scale and insufficient funding



**Qalaa's agrifoods plays that capitalize on these trends:**  
Dina Farms

Growing populations mean increasingly large consumer markets

Fragmented retail landscape across the region, especially in Egypt

Growing prosperity has led to increased appetite for goods previously considered luxury, including pre-prepared, packaged food and drink

Increasingly savvy consumers want high-quality supermarkets

Improved consumer education has led to increased demand for healthy, safe foods and drinks in quality packaging

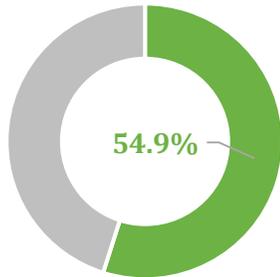
**Qalaa's agrifoods plays that capitalize on these trends:**  
Dina Farms supermarket chain

**Qalaa's agrifoods plays that capitalize on these trends:**  
Gozour subsidiaries Dina Farms, ACST, & ICDP

# Gozour at a Glance



## Qalaa Holdings Ownership Stake



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

Rising prices of imported skimmed milk powder (SMP) driving higher demand for fresh milk

ICDP (the distributor of Dina Farms fresh milk) is the leading market player with c. 75% of fresh milk market in Egypt

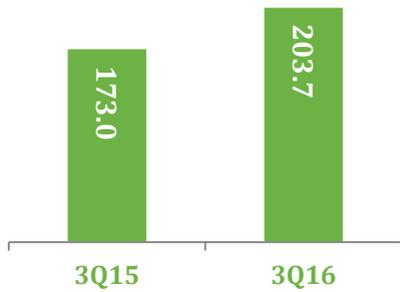
The group includes three primary lines of business: agriculture and raw milk farm, fresh dairy production and a retail supermarket chain

Dina Farms is the largest private sector dairy farm in Egypt with a total herd of 14,796 cows, of which 6,850 are milking cows

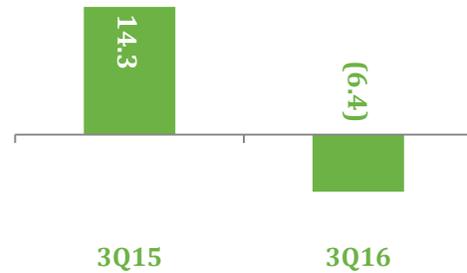
Dina Farms owns a fast-growing supermarket chain with 16 outlets as of September 2016

# Agrifoods - Gozour

**Consolidated Gozour Revenues**  
(EGP mn)



**Consolidated Gozour EBITDA**  
(EGP mn)



**ICDP sales of 3,518 tons of SKUs in 3Q16, flat y-o-y**

**Total herd size of 14,796 cows as of 3Q16 vs. 16,253 cows in 3Q15**

**Herd includes 6,850 milking cows in 3Q16 vs. 6,721 milking cows in 3Q15**

**Dina Farms revenues of EGP 85.7 mn in 3Q16, a 10% increase y-o-y**

**ACST (Dina Farms retail supermarket) revenues of EGP 67.7 mn in 3Q16, a 12% decrease y-o-y**

**ICDP (Dina Farms fresh milk) revenues of EGP 36.8 mn in 3Q16, up 5% y-o-y**

**13,518 tons of raw milk sold in 3Q16 vs. 15,625 tons in 3Q15**

# Highlights



QALAA  
HOLDINGS  
القلاة

AFRICAN LEADER IN  
INFRASTRUCTURE & INDUSTRY

# Financial Highlights – 9M16 Consolidated Income Statement

	QH	SPVs	Energy			Cement	T&L <sup>^</sup>	Mining	Agrifoods		Others	Elimination	9M 2016
			ERC	TAQA	Tawazon	ASEC Holding	Nile Logistics	ASCOM	Gozour	Wafra	Misc <sup>^^</sup>		
Revenue				2,040.4	128.5	1,830.4	65.3	536.3	606.5	0.9	115.6		5,323.7
Cost of Sales				(1,779.7)	(107.9)	(1,501.2)	(50.9)	(423.4)	(458.7)	(0.3)	(77.7)		(4,399.8)
<b>Gross Profit</b>	-	-	-	<b>260.7</b>	<b>20.6</b>	<b>329.2</b>	<b>14.3</b>	<b>112.9</b>	<b>147.7</b>	<b>0.6</b>	<b>37.9</b>	-	<b>923.9</b>
Advisory fee	53.1	12.7										(58.2)	7.6
Share in Associates' Results						29.1	2.8					(5.2)	26.7
<b>Total Operating Profit</b>	<b>53.1</b>	<b>12.7</b>	-	<b>260.7</b>	<b>20.6</b>	<b>358.3</b>	<b>17.2</b>	<b>112.9</b>	<b>147.7</b>	<b>0.6</b>	<b>37.9</b>	<b>(63.4)</b>	<b>958.3</b>
SG&A	(130.2)	(32.9)	(19.9)	(81.1)	(8.7)	(168.9)	(22.8)	(86.4)	(121.6)	(0.9)	(14.4)	52.6	(635.4)
Other Income/Expenses (Net)	1.7	(2.0)	-	1.9	0.2	23.4	0.0	12.9	(14.3)	(2.3)	0.0		21.6
<b>EBITDA (before one-offs)</b>	<b>(75.3)</b>	<b>(22.1)</b>	<b>(19.9)</b>	<b>181.4</b>	<b>12.1</b>	<b>212.7</b>	<b>(5.7)</b>	<b>39.5</b>	<b>11.9</b>	<b>(2.6)</b>	<b>23.6</b>	<b>(10.9)</b>	<b>344.5</b>
SG&A (Non recurring)	(15.2)	(2.5)				(5.0)							(22.7)
<b>EBITDA</b>	<b>(90.6)</b>	<b>(24.6)</b>	<b>(19.9)</b>	<b>181.4</b>	<b>12.1</b>	<b>207.7</b>	<b>(5.7)</b>	<b>39.5</b>	<b>11.9</b>	<b>(2.6)</b>	<b>23.6</b>	<b>(10.9)</b>	<b>321.8</b>
Depreciation & Amortization	(1.5)	-	(0.3)	(35.6)	(8.6)	(64.0)	(24.2)	(64.7)	(41.2)	(10.0)	(8.8)	(22.1)	(280.9)
<b>EBIT</b>	<b>(92.1)</b>	<b>(24.6)</b>	<b>(20.2)</b>	<b>145.8</b>	<b>3.4</b>	<b>143.7</b>	<b>(29.9)</b>	<b>(25.2)</b>	<b>(29.3)</b>	<b>(12.6)</b>	<b>14.8</b>	<b>(32.9)</b>	<b>40.8</b>
Bank Interest Expense	(113.1)	(50.5)		(37.7)	(1.9)	(102.1)	(50.1)	(29.2)	(19.2)	(2.7)	(9.9)		(416.3)
Bank PIK - Bank Fees (ERC-PIK)		(24.8)	(14.0)										(38.8)
3rd Party Shareholder		(94.3)				(144.7)	(12.8)	(3.3)			(12.8)	199.5	(68.4)
Interest Income	93.4	84.7	2.2	82.8	0.0	7.4	0.1		0.5		14.6	(209.3)	76.5
Lease Payments							(3.3)		(1.9)				(5.2)
<b>EBT (before one-offs)</b>	<b>(111.9)</b>	<b>(109.5)</b>	<b>(32.0)</b>	<b>190.9</b>	<b>1.6</b>	<b>(95.7)</b>	<b>(95.9)</b>	<b>(57.7)</b>	<b>(49.9)</b>	<b>(15.3)</b>	<b>6.7</b>	<b>(42.7)</b>	<b>(411.5)</b>
Gain (Loss) on Sale of Investments	-	171.4							17.8			(185.6)	3.6
Impairments/Write-downs	5.0	(15.4)		(4.7)	-	(267.3)		(2.2)	-		-	3.9	(280.6)
Restructuring Consulting Fees	(25.3)												(25.3)
Layoffs/Severances	(8.1)					(9.2)							(17.3)
CSR	(3.6)			(3.8)									(7.4)
Provisions		(19.9)		(29.8)	-	(27.7)	(0.5)	(2.1)	(0.3)		(1.2)		(81.5)
Discontinued Operations **						(1.4)			-		(340.7)	15.4	(326.6)
FOREX	61.7	(34.1)	(1.2)	(13.1)	3.2	(143.9)	2.1	21.5	3.5	27.8	(15.8)	24.2	(64.1)
<b>EBT</b>	<b>(82.2)</b>	<b>(7.5)</b>	<b>(33.1)</b>	<b>139.6</b>	<b>4.7</b>	<b>(545.2)</b>	<b>(94.3)</b>	<b>(40.5)</b>	<b>(28.8)</b>	<b>12.4</b>	<b>(351.0)</b>	<b>(184.8)</b>	<b>(1,210.7)</b>
Taxes	0.2	(8.0)		(52.2)	(1.1)	(17.2)	(0.5)	(2.9)	(4.6)		1.2	4.6	(80.5)
<b>Net P/L Before Minority Share</b>	<b>(82.0)</b>	<b>(15.5)</b>	<b>(33.1)</b>	<b>87.4</b>	<b>3.7</b>	<b>(562.4)</b>	<b>(94.8)</b>	<b>(43.4)</b>	<b>(33.5)</b>	<b>12.4</b>	<b>(349.9)</b>	<b>(180.2)</b>	<b>(1,291.2)</b>
Minority Interest			(9.7)	25.8	1.8	(155.1)	(37.3)	(5.6)	(0.0)	(0.6)	(2.4)	(370.8)	(553.8)
<b>Net Profit (Loss)</b>	<b>(82.0)</b>	<b>(15.5)</b>	<b>(23.5)</b>	<b>61.6</b>	<b>1.9</b>	<b>(407.3)</b>	<b>(57.5)</b>	<b>(37.7)</b>	<b>(33.5)</b>	<b>13.0</b>	<b>(347.5)</b>	<b>190.6</b>	<b>(737.4)</b>

\*\* Discontinued operations include:

- (1) Assets included in 2015 & 2016: ESACO, Djelfa (ASEC Holding), & Designopolis (Mena Home)
- (2) Assets sold in 2016 and with zero results in 2016: El-Aguizy, Enjoy, Mom's Food (Gozour)
- (3) Assets Reclassified and sold in 2016: Mashreq & Tanmeyah
- (4) Assets that are held for sale in 2016: Africa Railways (RVR)

<sup>^</sup> T&L represents Transportation & Logistics

<sup>^^</sup> Miscellaneous includes United Foundries, Designopolis (Mena Home), Crondall, Sphinx Egypt, Mashreq, Africa Railways & Tanmeyah

# Financial Highlights – 9M16 Consolidated Balance Sheet

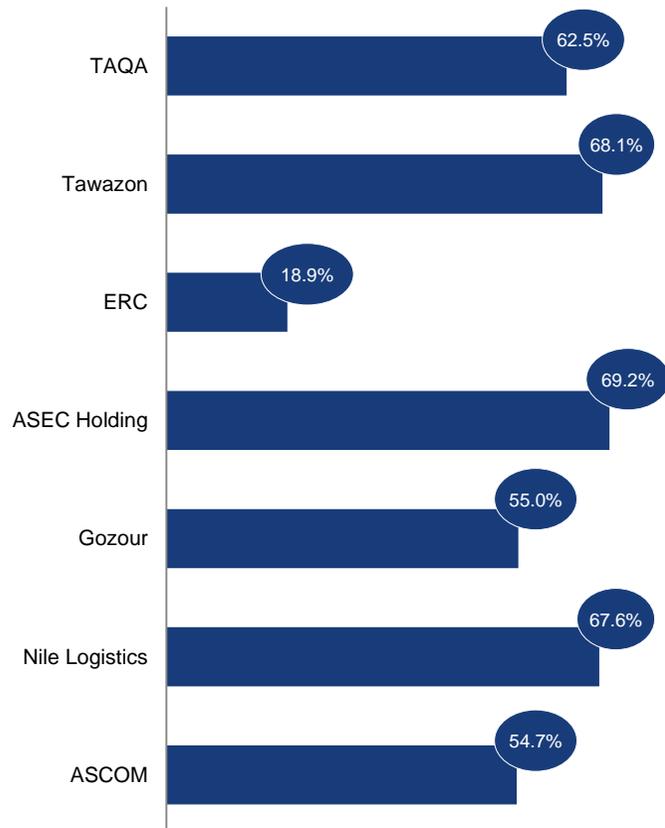
	QH	Energy			Cement	T&L <sup>^</sup>	Mining	Agrifoods		Misc. <sup>^^</sup>	Q3 2016 Aggregation	Eliminations/SPVs	9M 2016	FY 2015
		ERC	TAQA Arabia	Tawazon	ASEC Holding	Nile Logistics	ASCOM	Gozour	Wafra					
<b>Current Assets</b>														
Trade and Other Receivables	1,135.6	87.1	1,136.0	125.8	1,341.0	59.7	261.3	124.2	12.9	292.7	4,576.4	(1,409.3)	3,167.0	3,131.6
Inventory			181.4	45.0	604.9	14.8	53.6	67.7	7.1	41.3	1,016.0	0.0	1,016.0	1,016.8
Assets Held For Sale					836.4			86.6		2,387.2	3,310.2	652.4	3,962.6	2,473.5
Cash and Cash Equivalents	185.24	482.1	811.2	4.3	74.9	8.2	10.4	12.2	0.1	1.4	1,589.9	7.4	1,597.3	3,353.0
Others	-	-	-	-	30.0	-	-	7.3	1.2	-	38.5	1.0	39.5	76.6
<b>Total Current Assets</b>	<b>1,320.8</b>	<b>569.3</b>	<b>2,128.6</b>	<b>175.1</b>	<b>2,887.3</b>	<b>82.8</b>	<b>325.3</b>	<b>298.0</b>	<b>21.3</b>	<b>2,722.6</b>	<b>10,531.0</b>	<b>(748.6)</b>	<b>9,782.4</b>	<b>10,051.5</b>
<b>Non-Current Assets</b>														
PP&E	26.5	23,348.6	542.9	94.4	1,192.7	585.6	629.6	782.5	265.7	50.8	27,519.3	747.3	28,266.6	22,053.2
Investments	9,002.3		0.7		426.8	16.3	0.0			3.3	9,449.4	(8,518)	931.7	1,035.3
Goodwill / Intangible assets			405.5	32.6	2.1		291.0	-		-	731.3	951.7	1,683.0	2,514.9
Others	947.3	1,269.2	35.7		25.7			259.4		121.2	2,658.4	(947.3)	1,711.2	1,323.2
<b>Total Non-Current Assets</b>	<b>9,976.0</b>	<b>24,617.8</b>	<b>984.9</b>	<b>127.0</b>	<b>1,647.3</b>	<b>601.9</b>	<b>920.6</b>	<b>1,041.9</b>	<b>265.7</b>	<b>175.3</b>	<b>40,358.5</b>	<b>(7,765.9)</b>	<b>32,592.5</b>	<b>26,926.7</b>
<b>Total Assets</b>	<b>11,296.8</b>	<b>25,187.1</b>	<b>3,113.4</b>	<b>302.1</b>	<b>4,534.6</b>	<b>684.7</b>	<b>1,245.9</b>	<b>1,339.9</b>	<b>287.0</b>	<b>2,897.9</b>	<b>50,889.5</b>	<b>(8,514.5)</b>	<b>42,375.0</b>	<b>36,978.2</b>
<b>Shareholders' Equity</b>														
<b>Total Equity Holders of the Company</b>	<b>8,350.4</b>	<b>4,546.5</b>	<b>1,066.8</b>	<b>103.8</b>	<b>(1,273.7)</b>	<b>(207.6)</b>	<b>305.9</b>	<b>440.0</b>	<b>(385.8)</b>	<b>(733.1)</b>	<b>12,213.2</b>	<b>(9,903.6)</b>	<b>2,309.6</b>	<b>2,797.9</b>
Minority Interest	-	4,655.7	308.1	57.4	1,020.4	(24.9)	(41.0)	0.0	(11.3)	8.6	5,973.0	2,643.6	8,616.6	8,152.5
<b>Total Equity</b>	<b>8,350.4</b>	<b>9,202.2</b>	<b>1,374.9</b>	<b>161.2</b>	<b>(253.3)</b>	<b>(232.4)</b>	<b>265.0</b>	<b>440.0</b>	<b>(397.1)</b>	<b>(724.5)</b>	<b>18,186.2</b>	<b>(7,260.0)</b>	<b>10,926.3</b>	<b>10,950.4</b>
<b>Current Liabilities</b>														
Borrowings	1,525.6		286.6	23.2	263.0	506.2	187.4	47.5	25.5	59.1	2,924.1	410.2	3,334.2	3,441.8
Trade and Other Payables	576.6	642.4	954.9	68.9	2,208.3	315.5	359.7	458.8	653.9	341.1	6,580.1	(781.8)	5,798.4	6,396.1
Provisions	228.3		104.6	34.5	259.8	8.4	20.1	8.9	2.3	11.1	677.9	34.4	712.3	620.5
Liabilities Held For Sale			-	-	354.6	-	-	238.9	-	2,941.7	3,535.2	(512.1)	3,023.1	1,013.4
<b>Total Current Liabilities</b>	<b>2,330.5</b>	<b>642.4</b>	<b>1,346.1</b>	<b>126.6</b>	<b>3,085.6</b>	<b>830.2</b>	<b>567.2</b>	<b>754.1</b>	<b>681.7</b>	<b>3,352.9</b>	<b>13,717.3</b>	<b>(849.3)</b>	<b>12,868.0</b>	<b>11,471.8</b>
<b>Non-Current Liabilities</b>														
Borrowings	616.0	14,854.9	191.7		676.9	-	332.4	112.6	2.4	3.6	16,790.4	608.4	17,398.8	13,671.8
Shareholder Loan					982.9	86.9	75.2	-		260.5	1,405.5	(1,382.3)	23.1	24.5
Long-Term Liabilities		487.6	200.7	14.3	42.6	-	6.2	33.2		5.5	790.0	368.7	1,158.8	859.7
<b>Total Non-Current Liabilities</b>	<b>616.0</b>	<b>15,342.4</b>	<b>392.4</b>	<b>14.3</b>	<b>1,702.3</b>	<b>86.9</b>	<b>413.8</b>	<b>145.8</b>	<b>2.4</b>	<b>269.5</b>	<b>18,985.9</b>	<b>(405.2)</b>	<b>18,580.7</b>	<b>14,556.0</b>
<b>Total Liabilities</b>	<b>2,946.5</b>	<b>15,984.9</b>	<b>1,738.5</b>	<b>140.9</b>	<b>4,787.9</b>	<b>917.1</b>	<b>981.0</b>	<b>899.9</b>	<b>684.1</b>	<b>3,622.5</b>	<b>32,703.2</b>	<b>(1,254.5)</b>	<b>31,448.7</b>	<b>26,027.8</b>
<b>Total Equity and Liabilities</b>	<b>11,296.8</b>	<b>25,187.1</b>	<b>3,113.4</b>	<b>302.1</b>	<b>4,534.6</b>	<b>684.7</b>	<b>1,245.9</b>	<b>1,339.9</b>	<b>287.0</b>	<b>2,897.9</b>	<b>50,889.5</b>	<b>(8,514.5)</b>	<b>42,375.0</b>	<b>36,978.2</b>

<sup>^</sup> T&L represents Transportation & Logistics

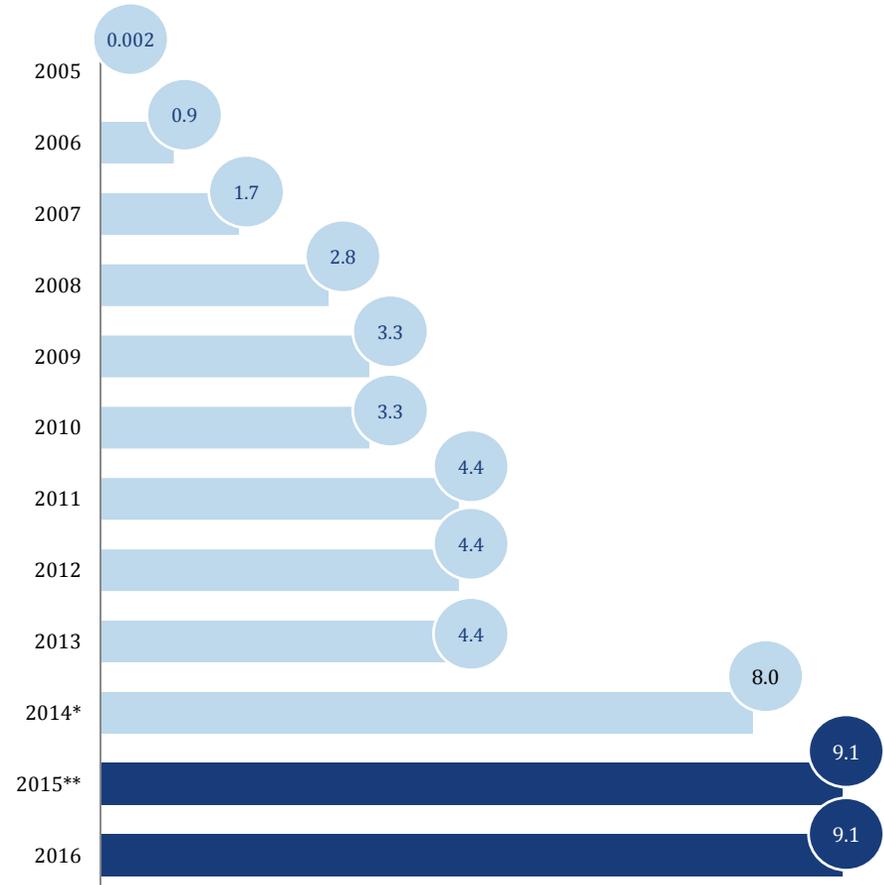
<sup>^^</sup> Miscellaneous includes Mashreq, Africa Railways, United Foundries, Designopolis (Mena Home), Crondall, & Sphinx Egypt.

# Effective Ownership & Paid-in Capital Highlights

## Qalaa Holdings Ownership Stakes



## Paid-in Capital (EGP bn)



\* Capital increase concluded in April 2014

\*\* Capital increase concluded in September 2015

# Board of Directors

## Executive Board Members (Representing CCP)

**Ahmed Heikal**

**Hisham El-Khazindar**

**Karim Sadek**

**Moataz Farouk**

## Non-Executive Board Members

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

**Osama Hafez** *(Independent)*

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

**Joseph Eskandar** *(Representing Dubai Holdings)*

# Citadel Capital Partners Management Agreement

<b>Parties</b>	<ul style="list-style-type: none"> <li>▪ Citadel Capital Partners LTD (“CCP”) and Qalaa Holdings S.A.E (“Company”)</li> </ul>
<b>Citadel Partners Undertaking</b>	<ul style="list-style-type: none"> <li>▪ CCP 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>▪ CCP will provide the Company with the management services through secondment of the Partners owning shares in CCP (“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 CCP 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 CCP remains owning 15% or more 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 issued 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>▪ CCP 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>▪ CCP agrees not to sell any of the preferred shares to a third party</li> </ul>



# Thank You

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