The Future is Logistics…

2023 INVESTOR GUIDE

EGYtrans

DISCLAIMER

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EGYtrans

The Future is Logistics…

EXECUTIVE SUMMARY

EGYtrans

EXECUTIVE SUMMARY

OVERVIEW

Company Overview

- The Transportation and Logistics sector is one of the **fastest-growing sectors in Egypt**, witnessing the **largest Y-o-Y growth in Emerging Markets logistics in 2021**, according to the Agility Emerging Market Logistics index
- Egytrans is one of the largest players in a fragmented sector, with significant expansion potential due to its **positive cash position**
- Egytrans has a proven track record **with 50 years of experience** in the industry, and a **network of +100 key account customers** and relationships with staff and customs across Egypt's main ports and major shipping lines
- Egytrans is one of few local companies **that provides integrated solutions through a diversified portfolio of services**
- Egytrans is a **market leader in mega-project logistics**
- Egytrans has **a 40% market share in ISO Tank Cleaning in Egypt**, with significant potential to expand regionally

Industry Direction

- Egytrans is a **leading player in a fragmented industry** primed for exceptional growth in the short, medium and long term
- This growth is driven by government strategy to become the **regional logistics hub** with large investments allocated to redress infrastructure deficit in Egypt, which has led to the proliferation of mega-projects
- The **largest growing middle class in the world** with increased spending driving commerce

Strategic Direction

- Company management, have devised a **transformation strategy for Egytrans aimed at leveraging Egytrans' strong market position** as well as increasingly favorable industry dynamics to cement the company's leadership in the local logistics and transportation sector
- **Egytrans joins forces with NOSCO aiming to lead the logistics & transportation industry in Egypt**
- Egytrans purpose guides all actions and is key to the delivery of their long-term strategic priorities of Grow , Deliver, Simplify and Trust – **to bring differentiated, high-quality and needed transport and logistics services to customers** . They are
  - **Grow** a diversified product offering vertically and horizontally aligned with customer needs. Open new industry opportunities and business potential across borders.
  - **Simplify** the operating model by streamlining processes and structures to sharpen our focus.
  - **Deliver** more services and solutions of value by investing effectively in the business and people and executing competitively. Our ability to launch new products successfully and grow sales from our existing portfolio is key to our success.

EGYtrans

Source: Company Data

The Future is Logistics…

GROUP OVERVIEW

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GROUP OVERVIEW

EGYTRANS IN A NUTSHELL…

Stock Profile

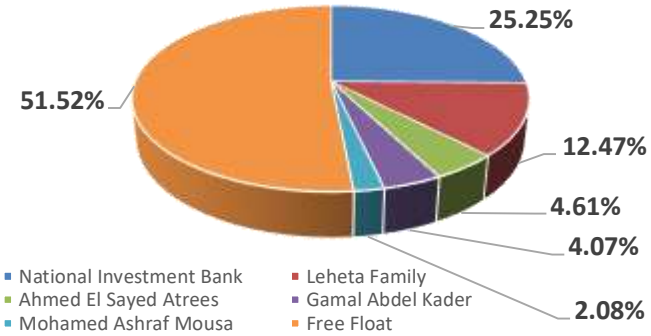
*Share Price (EGP)	4.55
52 Wk High/ Low (EGP)	5.21/1.78
Avg 1Y D.Vlm (Mn)	3.04
Avg 1Y D.TO (EGP Mn)	4.91
*M.Cap (EGP Mn)	710.08
*Free Float (%)	51.5%
*YTD Chg (%)	40.0%

** As of 1-Feb-24*

Company Synopsis

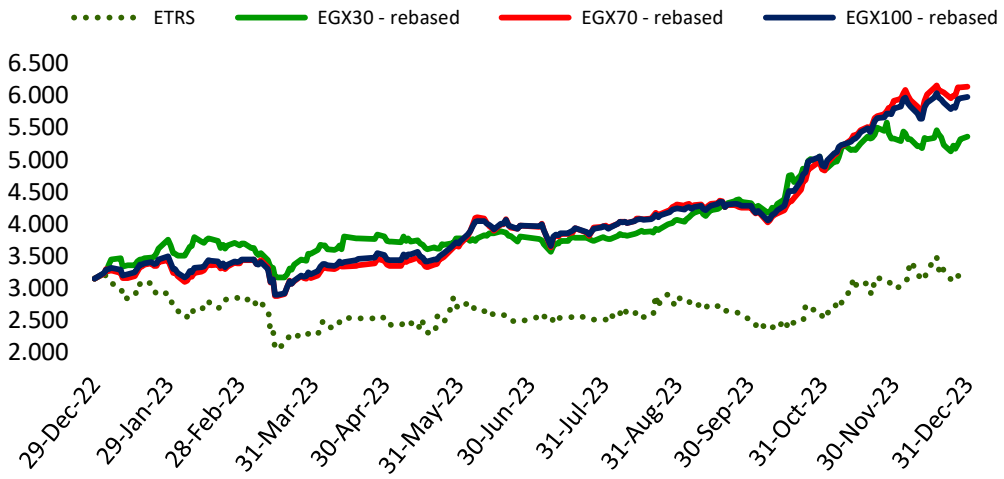
- Egyptian Transport and Commercial Services Co. S.A.E. is a publicly traded firm that operates in the field of integrated transport, offering logistics and transportation service in Egypt.
- Headquartered in New Cairo, Egytrans was established in 1973.
- The firm offers a wide-range of logistics and transportation services, including Sea freight, Air freight, Warehousing, Customs clearance, Land transport, Project logistics, Specialized transport, and Tank Container maintenance & cleaning, among other services.
- Egytrans operates through three subsidiaries (ETAL, EDS, ETRS) and secures investment income through Wilhelmsen Port Services Egypt (WPS)

Shareholding Structure



Source: Company Data

Share Price Performance vs. EGX Main Indices



Key Financial Highlights

	2019A	2020A	2021A	2022A	2023A
Revenue	246.78	216.07	293.52	400.4	414.1
YoY Growth	-11.19%	-12.44%	35.84%	36.41%	3.50%
EBIT	34.27	16.12	22.69	11.8	24.0
Margin %	13.89%	7.46%	7.73%	2.96%	5.79%
Net Income	31.83	13.06	18.27	46.1	62.0
Margin %	12.90%	6.04%	6.22%	11.51%	14.96%
Basic EPS	1.07	0.42	0.11	0.29	0.40
P/E	6.7x	24.8x	18.4x	9.2x	11.4x
P/BV	0.78x	1.28x	1.41x	1.32x	2.26x
ROE	11.30%	5.20%	7.60%	14.70%	16.63%

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GROUP OVERVIEW

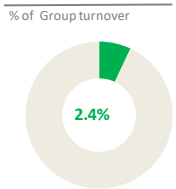
GROUP STRUCTURE

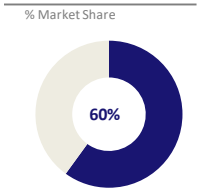
ETAL

Specialized Transport

Category leadership in heavy lift transport solutions

- Established in 1984
- 2.4% of Group turnover in 2023
- 60% Market share in 2023
- Total assets of EGP 81.8 mn in 2023





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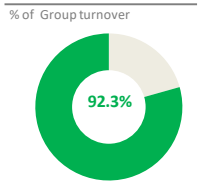
Integrated Solutions

Leading position in freight forwarding and logistics

- Established in 1973
- 92.3% of Group turnover in 2023
- Total assets of EGP 429.1 mn in 2023

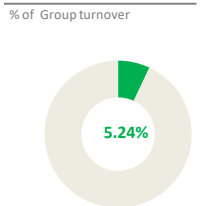


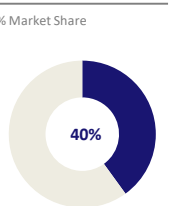
EDS

Service Depots

Category leadership in ISO tank cleaning, maintenance and storage services

- Established in 2009
- 5.24% of Group turnover in 2023
- 40% Market share in ISO tank cleaning in 2023
- Total assets of USD 3.1 mn in 2023





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GROUP OVERVIEW

KEY MILESTONES

50 YEARS MOVING FORWARD

5 different business lines
More than 300 employees
9 sites across key locations in Egypt
+100 client base of key blue-chip customers

1973
Establishment of Egytrans (experience date back to 1939 and Gamal El-Din Leheta & Co).

1992
Listing on **Egyptian Stock Exchange.**

1993
Free Zone Warehouse Acquired: One of company's major competitive advantages.

1997
Acquisition of ETAL: Major subsidiary of Egytrans (Heavy and Specialized Transportation)

1998
IPO: The first Logistics company to go public in Egypt

2010
EDS Founded: Major subsidiary of Egytrans (First ISO-Tank Cleaner in North Africa)

Oracle Transportation Management solutions implemented, two years after implementation of Oracle EBS

2013

2015
Bonded Warehouse opened in Adabeya: Consolidating local logistics service offering

Record Award of Mega-Projects: Company secures Siemens deal, establishing its local dominance in heavy and specialized transportation

2016

2021
Logivators Launch of new startup incubator.

2022
New strategic Direction and restructuring

2023
EGYtrans Acquires NOSCO

INTEGRATED SOLUTIONS

WHEN IT ALL COMES TOGETHER IT REALLY MOVES

GROUP OVERVIEW

DIVERSE SERVICE OFFERING...

Air Freight
swift and easy air freight services

Land Transport
competitive and reliable container road haulage tailored to different customer needs

Sea Freight
shipping all types including general, bulk, containerized, or Ro/ Ro cargo globally

Chartering
cost effective and reliable chartering solutions

Consolidation/LCL
groups many small freight shipments into a shared container

Project Logistics
solutions for mega projects including engineering studies, transport, storage & installation of sensitive equipment and packages of exceptional weights and dimensions

Bonded Storage
offering bonded storage area of 10,000 m^2 and ground strength of 40 tons/m^2 specialized in general cargo and heavy lifts

Warehousing
warehouses located in strategic areas including Port Said Free Zone and Ain Sokhna (SCZone),

Specialized Transport & Lifting
highly trained and experienced team with an extensive fleet of hydraulic and telescopic equipment and strand-jack gantry crane designed to carry heavy lift and over-dimensional cargo

Transit Services
transit guarantee within and beyond the country.

Customs Clearance
Customs clearance services for all types of cargo (general, break, bulk, containerized , or Ro/Ro cargo)

Exhibitions
integrated solutions in the field of fairs and exhibitions, coordinating the transport of cargo and materials

ISO Tank Container Cleaning & Maintenance
best-in-class cleaning station providing professional tank cleaning, repair and periodic testing services for liquid bulk containers

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GROUP OVERVIEW

KEY HIGHLIGHTS

INTEGRATED SOLUTIONS

- Egytrans has wide range of services
- Diversified portfolio ensures continuity and reliability in revenue streams.
- Focus on operational improvements and continued focus on new value-added services that align to customer needs.

PROVIDER OF CHOICE

- ETAL is a market leader in Mega Project transportation contracts, claiming the record for Mega-Project contracts ever awarded in 2016
- Strong customer retention track record with some recording over four decades

STRONG BRAND & MANAGEMENT

- One of the first transport and logistics companies in Egypt. . It boasts an experienced management with extensive knowhow and years of operational experience
- Revamp of identity across all brand touch points has improved brand recognition of Egytrans as a modern and capable provider

ISO TANK CLEANING

- EDS is the #1 provider of ISO Tank cleaning and maintenance services in Egypt
- Egytrans is exploring significant expansion potential in Africa due to the dire absence of ISO tank cleaning services.

GEOGRAPHICAL PRESENCE

- Egytrans' presence extends to Egypt's major trade and shipping centers, with access to warehouses all over the country, as well as a warehouse in the Port Said Free Zone Area and one in Ain Sokhna.
- 50 years in the business has developed a solid network across the globe allowing a reach of over 400 destinations

+100 KEY ACCOUNT CUSTOMERS

- With more than 100 key account customers, Egytrans can rely on a stable and growing customer base to drive sales and minimize the burden of collection and customer risks.

STRATEGIC WAREHOUSE LOCATIONS

- Different storage capability spread out over the country including Free Zone warehouse, bonded warehouse.
- Large storage space ensures the company can handle all orders, and is well-positioned to capture the upside of trade booms.
- Presence in strategic locations gives it a competitive advantage compared to its peers

CASH POSITION

- Egytrans' cash position is strong, leaving ample room for future expansion and growth.

The Future is Logistics…

SUBSIDIARY OVERVIEW

EGYtrans

SUBSIDIARY OVERVIEW

EGYTRANS…

COMPANY SYNOPSIS

Name	Egyptian Transport and Commercial Services
Sector	Transportation and Logistics
Established	1973
Ownership	Shareholding Structure
Employees	300

- The Egyptian Transport and Commercial Services Company S.A.E., known as Egytrans, handles the group's core business of transportation services in Egypt
- Egytrans is listed on the EGX
- Egytrans is one of the country's foremost providers of transportation and logistics services, with high customer satisfaction and retention setting it apart from its competitors.
- Egytrans has eight branches located strategically across Egypt, close to the country's main ports, airports, and transport centers

SERVICES

- Air Freight
- Land transport
- Sea Freight
- Chartering
- Consolidation
- Customs Clearance
- Project Logistics
- Warehousing
- Exhibitions

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SUBSIDIARY SECTOR GROWTH

GLOBAL T&L MARKET EMERGING FROM GEO POLITICAL EVENTS AND ADAPTING - SET TO COME OUT STRONGER

6.5% CAGR GLOBALLY T&L

Looking forward, it is expected to reach US$ 6.55 Trillion by 2027, exhibiting a CAGR of 6.5% during 2022-2027

The market growth is also directly related to growing government initiatives to streamline logistics operations. Factors such as the rising landscape of international trades and the global economy along with digistization drive market growth.

Key Success drivers: **Digitization, Flexible Supply Chain Capability, Operational Efficiency, Partnerships**

4.7% CAGR MEA T&L

as the potential growth driver in light of African Trade Agreement and Egypt transport structure improvements.

Key drivers: **African Trade Agreement, GDP growth, E-Commerce**

9% CAGR MEA 3PL

Driven by growth of e-commerce and growing middle class market projected to reach 1.6 trillion by 2026

Key enablers: **Small Vehicle, Digitization, Warehousing**

25% CAGR GLOBALLY Digital Freight Forwarding

driven by convenience and speed requirements. This market is non asset based and builds on network of medium sized forwarders. Sector faces high competition from digital incumbents like Uber freight

Key enabler: **Digitization**

10% CAGR MEA Storage

Till 2025 driven by e-commerce. **Key enabler:** **digitization** and **operational efficiency**

4% CAGR MEA Freight Forwarding

Till 2025 driven by trade growth and GDP.

Key issues: **erratic pricing and capacity issues, smaller margins,**

5.5% CAGR MEA Land Transport

driven by e-commerce , city expansion and increased trade.

Key Enabler: **Digitization, Operational Efficiency , Fleet Capacity , trained drivers**

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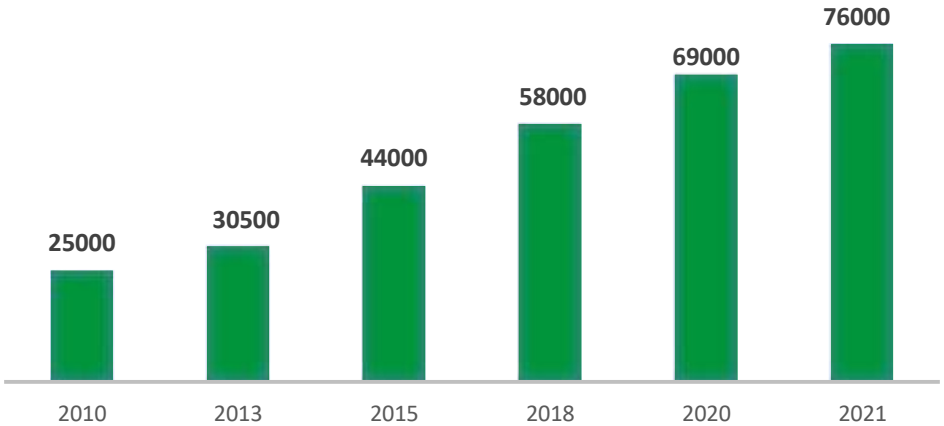
SUBSIDIARY SECTOR DYNAMICS

LOGISTICS AND WAREHOUSING MARKET SEES STEADY GROWTH WITH 7% CAGR TO 2026 DRIVEN BY MASSIVE INFRASTRUCTURE INVESTMENT, AND INCREASES IN FDI, INDUSTRIAL SPACE AND TRADE

- **The industry grew at 5.4% CAGR from 2016 – 2020 representing $8.7bn. Nearly 90% of which comes from Land transport. 2022 saw a back to normal with growth rates up from 1.6% in 2021.** Driven by Massive Infrastructure Development and Increasing Foreign Trade' states that the logistics sector has advanced considerably. With the trade capacities returning to pre-crisis levels, and the augment in the ease of doing business across the country, **the market is extremely competitive with both international and domestic players.**
- **Increasing industrial activity, growing foreign investment, aiming to augment exports, and influx of international companies in Egypt will positively affect the market going forward**
- Egypt, being a trans-shipment hub, has a strong requirement for warehouses. Warehousing market in Egypt has been augmenting at a robust rate owing to the government's aim on the logistics infrastructure in the country. Forthcoming warehousing regions involve Banha Investment Zone, Ain Sokhna port, and East Port Said port.
- Domestic companies have also begun freight services internationally. International companies are contributing heavily in the seaports and airports and are setting up logistics hubs there. **Forthcoming trends in freight forwarding involve increased trade with African nations and using the Nile River for transportation of goods.**
- With rising middle class the growth in the e-commerce industry, e-commerce companies are projected to move away from captive logistics to 3PL companies. **We expect consolidation to happen through acquisition followed by higher margins and improved service.**

RISING MIDDLE CLASS BOOSTING DISPOSABLE INCOME

The Egyptian middle class is the fastest growing in the world and a major driver of economic growth and now represents over 40% of household consumption in Egypt



Average Middle Class Household Income

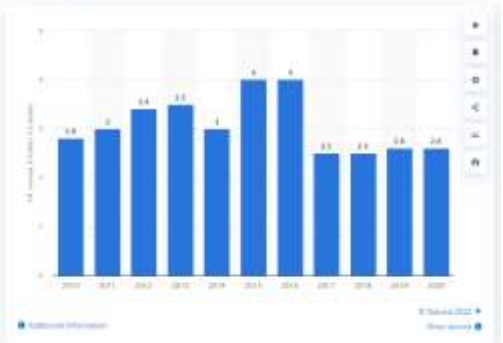
COMPETITION

DHL, KUEHNE+NAGEL, Agility, aramex, Expeditors, DB SCHENKER, FedEx, TNT, DSV PANALPINA, ups

3PL TO GROW AT 9% CAGR INTO 2025 DRIVEN BY E COMMERCE

Egypt is the 39th largest market for eCommerce with a revenue of US$5.2 billion in 2021 With an increase of 44%, the Egyptian eCommerce market contributed to the worldwide growth rate of 15% in 2021 With a yearly growth rate of 22% between 2021 and 2025, Egypt is even expected to outperform the global average of 6%.In Egypt, the e-commerce market generated an average revenue per user (ARPU) of approximately 86.72 U.S. dollars in 2020. By 2025, the ARPU in this market will increase to an estimated 158.1 U.S. dollars, according to the Digital Market Outlook.

Third-party logistics (3PL) revenue in Egypt from 2010 to 2020
(in billion U.S. dollars)



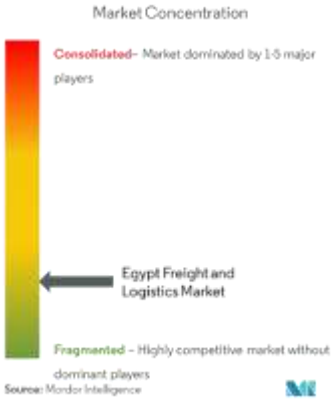
SUBSIDIARY SECTOR DYNAMICS

DESPITE ITS MARKET POTENTIAL, THERE ARE VARIOUS FACTORS THAT CHALLENGE THE INDUSTRY

- **The market is highly fragmented with a limited number of domestic and international players dominating the contract market with the remaining estimated 70% in the informal market..** With competition primarily based on services, price, warehousing capacity geographic reach.
- Almost all **freight forwarders in Egypt follow asset-light models**, and they primarily outsource the contract to the domestic players.
- Inadequate multimodal transport infrastructure places overreliance on land transport causing **longer lead time and an insufficient supply chain leading to bottle neck growth and higher logistics costs**.
- **High Fragmentation, structural constraints lead to high inefficiencies leaving room for opportunity gains in the future as transport infrastructure is revamped and digital solutions are integrated.**

FRAGMENTATION

- Small number of fleets and a long tail of small fleets and owner driver
- Total number of licensed trucks reached 1.3 million trucks and total number of trailers reached 99.4 thousand in 2021. We estimate 10-30% are owned by formal transport service providers. In addition, 90% of companies have less than 100 trucks and over 80% have less than 20.
- The longer tail of the operator especially owner operators typically have trouble connecting to businesses that need shipping due to lack of network and knowledge which subsequently limits them from growth.
- This fragmentation also results in multiple layers of middlemen brokers since outsourcing represents an opportunity but drives margins up.



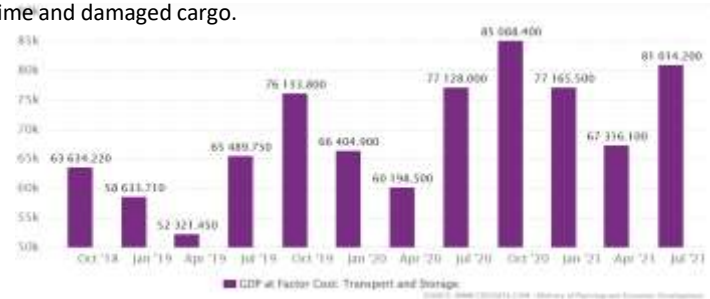
INEFFICIENCIES

- Utilization is relatively low in Egypt , back hauls are often empty
- In comparison , Europe truck utilization is at 200 000 km/year and Egypt around 50 000 km/year. Egypt's infrastructure has been one of the reasons for this but in large part the underutilization is driven by the informality of the sector.
- Lack of infrastructure development led to inefficiencies and low utilization as majority of trucks experience empty back haul rate. Part of this is driven by a large fragmented trucking industry. The utilization of fleets on average is less than 15% — a number that is approximately 55% in the U.S
- Majority of transporters in Egypt experience between 40 – 70% empty backhaul rates mainly due to inefficiencies in the dispatching process which typically involves multiple contacts and a broad network of clients. This result is reduced economies of scale per truck (thus scaling fleet is difficult) and liquidity as well.
- Furthermore poor predictability leads to poor SLA that is trucks are not tracked and there is loss of time and damaged cargo.

HIGH COST

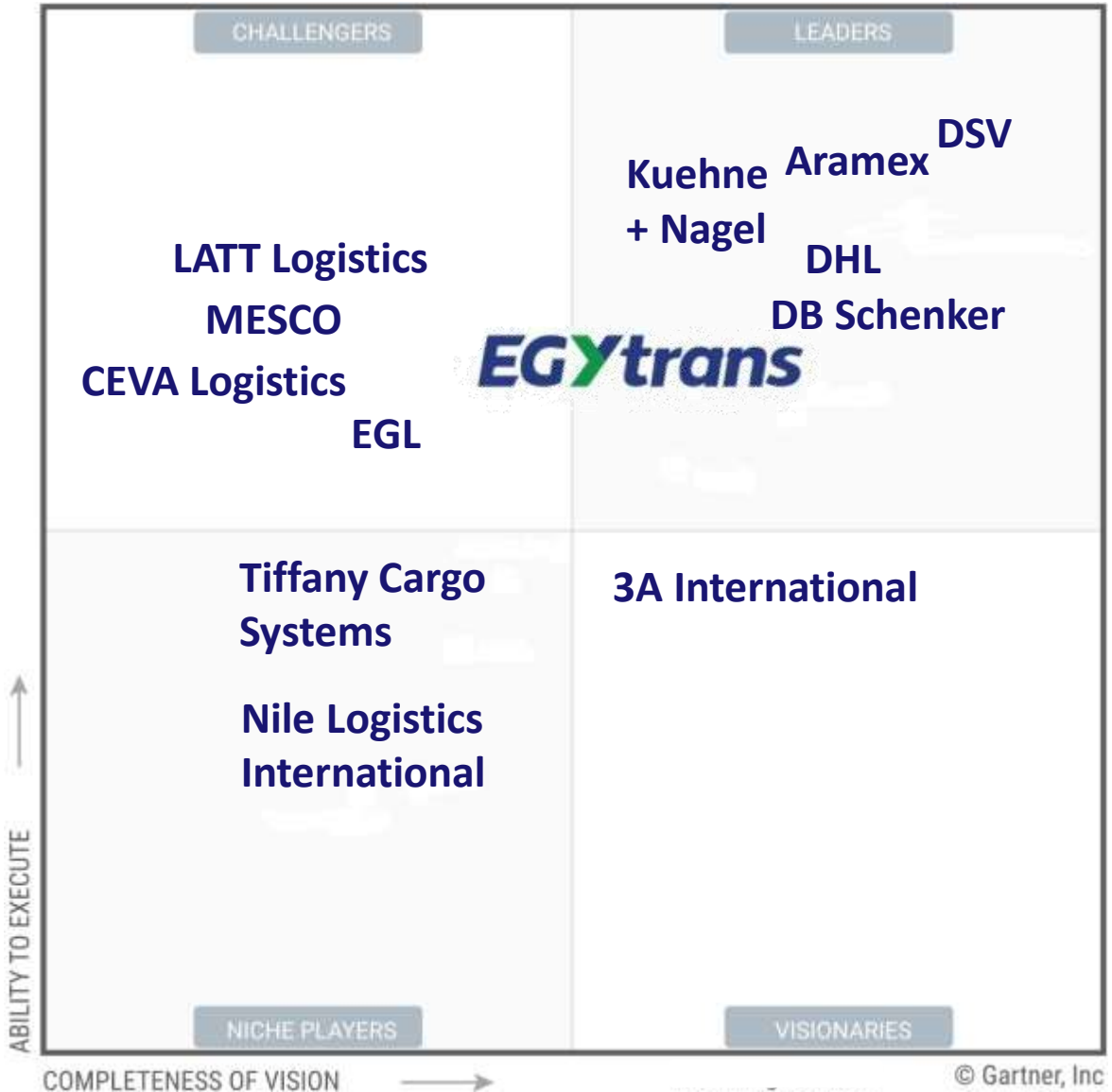
- Despite reduction over the years , due to an improvement in infrastructure Egypt's logistics costs remain high. According to a recent world bank report moving goods across MEA is 3 to 5 times EU cost. In 2020, logistics costs in Egypt amounted to 30 billion U.S. dollars. In that same year, total logistics costs in Africa consisted of 344.2 billion U.S. dollars.

Logistics industry costs in Egypt from 2010 to 2020 *(in billion U.S. dollars)*



COMPETITIVE LANDSCAPE

Freight Forwarding



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COMPETITIVE LANDSCAPE

ANALYSIS BY SERVICE

	Market Potential	Customer Segment	Business Model	Companies
Freight Forwarding & customs clearance	Expected global recession will affect global trade.	Manufacturers, producers & Trading Companies	Markup on liner cost.	Egytrans, DSV, Aramex, DHL, LATT Logistics, 3A International, MESCO, CEVA Logistics, EGL, K+N, Tiffany Cargo Systems.
Road Haulage	Rising number of players, pressing margins , erratic service levels , low barriers to entry. Changing market. Prices increase minimally considering cost increases.	Manufacturers, producers & Trading Companies	Price based on type of carriage and distance. Fixed rates until fuel costs increase.	ETAL, EGL, LATT Logistics, MSC Egypt, MLS, NOSCO, EWA.
Project Logistics	New players, pressing margins, highly seasonal. Price decrease.	Oil & Gas, Power Generation, Renewable Energy, Construction, Mobility	Price based on type of carriage and distance. Rates are negotiated multiple times per project and can go down by up to 50%.	ETAL, NOSCO, EGL, EWA
Car Warehousing	Rising number of players, rising demand.	Traders	Fixed Pricelist	EAS, several small local players.
Ports and Ships Services	Established players	Importers & Exporters	Variable Pricing	WPS, EMCO, Ship & C.R.E.W., SescoTrans
ISO Tank Services	Established players	ISO Tank Operators & Owners	Price Matrix	EDS, TCS, ATEB, Ship & C.R.E.W.

FINANCIAL PERFORMANCE

INCOME STATEMENT CONSOLIDATED 2023

Item (In EGP)	4Q22	3Q23	4Q23	QoQ	YoY	2022	2023	YoY
Revenues	107,691,126	96,551,290	137,973,505	42.9%	28.1%	400,103,068	414,124,214	3.5%
Costs	(81,744,061)	(74,297,093)	(94,204,327)	26.8%	15.2%	(311,960,494)	(301,104,173)	-3.5%
Gross Profit	**25,947,065**	**22,254,197**	**43,769,178**	**96.7%**	**68.7%**	**88,142,574**	**113,020,041**	**28.2%**
SG&A	(20,259,955)	(17,368,132)	(20,286,666)	16.8%	0.1%	(63,808,537)	(78,145,950)	22.5%
Sundry Expense	(17,628,341)	(2,329,827)	(16,106,779)	591.3%	-8.6%	(19,976,213)	(21,372,252)	7.0%
Sundry Income	6,725,934	373,613	9,259,978	n/a	37.7%	7,468,236	10,455,624	40.0%
EBIT (Net Operating Profit)	**(5,215,297)**	**4,886,065**	**16,635,711**	**240.5%**	**-419.0%**	**11,826,060**	**23,957,463**	**102.6%**
Investment Income	4,488,407	2,313,102	4,243,297	83.4%	-5.5%	12,163,055	15,221,019	25.1%
Net Interest Income/Expense	(1,150,156)	(279,487)	(572,542)	104.9%	-50.2%	(5,752,920)	(2,389,194)	-58.5%
FX Gain/Loss	21,980,635	165,386	3,938,160	n/m	-82.1%	36,296,233	28,303,845	-22.0%
Net Profit Before Taxes	**20,103,589**	**7,085,066**	**24,244,626**	**242.2%**	**20.6%**	**54,532,428**	**65,093,133**	**19.4%**
Taxes	(4,785,555)	(918,584)	59,973	-106.5%	-101.3%	(8,409,567)	(3,131,621)	-62.8%
Net Profit After Taxes	**15,318,034**	**6,166,482**	**24,304,599**	**294.1%**	**58.7%**	**46,122,861**	**61,961,512**	**34.3%**
Minority Interest	(252)	34	(253)	-844.1%	**0.4%**	(1,075)	(1,351)	25.7%
Net Profit After Tax & Minority Interest	**15,317,782**	**6,166,516**	**24,304,346**	**294.1%**	**58.7%**	**46,121,786**	**61,960,161**	**34.%**

EGYtrans

SUBSIDIARY OVERVIEW

ETAL...

COMPANY SYNOPSIS

Name	Egyptian Transportation & Logistics
Sector	Heavy & Specialized Transport
Established	1984
Ownership	Fully Owned by Egytrans
Employees	40

SERVICES

- Heavy Lift Transport
- Jacking and Skidding
- Lifting and Installation
- Engineering
- Storage

- Egyptian Transportation & Logistics (ETAL), is a leading company in the field of specialized transport
- A market share of 40%
- ETAL has successfully completed three certifications: ISO 9001 Quality Management Certification, OHSAS 18001 Occupational Health & Safety Certification, and ISO 14001 Environmental Management Certification
- ETAL has a large fleet of heavy and specialized transport and lifting equipment, ensuring handling, transportation and storage of all weights, heights and dimensions
- ETAL serves and transports equipment for the following types of projects: Civil Projects, Power Generation Projects, Petrochemical Projects, Industrial Projects, Mining Projects, Shipyard Projects, Renewable Energy Projects
- ETAL dominates the market in Wind Farm projects, with huge potential in the coming years as Egypt seeks to increase the share of renewable energy, in addition to a large pipeline of regional projects.

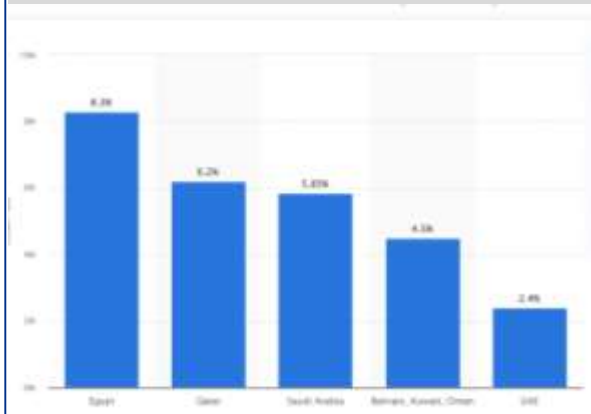
HEAVY AND SPECIALIZED TRANPORT SECTOR OVERVIEW

EGYPT LEADS PROJECT MARKET IN MENA REGION WITH PROJECTED GROWTH OF 8.3% CAGR

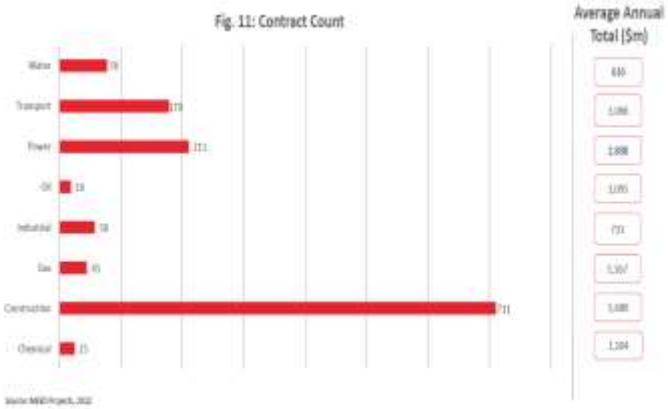
- **With more than $500bn of projects planned or underway, Egypt is the third biggest projects market in MENA** It has a substantial pipeline of construction, power, transport and oil and gas projects.
- Egypt's project market has **slightly more than $93bn-worth of projects under execution and more than $425bn-worth of projects at various stages of pre-execution**
- **Egypt leads the region in terms of growth of Projects market with over 8% for 2022** and Project logistics market in the region s expected to reach 90 billion U.S. dollars by 2026.
- The market for projects is capital intensive and cyclically driven by large infrastructure investments. 2020 and 21 have seen growth of around 3.8 per cent of which construction had the largest share .
- The wind energy market is expected to grow at a **CAGR of around 15% during the forecast period of 2020-2025**. Driven by the **government's plan to increase renewable energy share in the electricity mix from 20% in 2022 to 55% by 2035** this aligns with its plan to become the energy hub in the region.
- Nearly **$82bn of oil and gas projects are planned** or underway in Egypt. Of this total, close to 17% $13.6 bn – are under execution and $ 2.2bn are under bidding
- Plans for **largescale grid connectivity projects** and an ongoing need to improve water security by adding water treatment capacity **present further areas of opportunity. On average 3.42 bn worth of power and water project contracts are awarded yearly.** 2021 saw a growth of 45% as delayed projects went into tender.

EGYPT LARGEST PROJECT MARKET IN THE MENA REGION

MARKET CAGR IN MENA

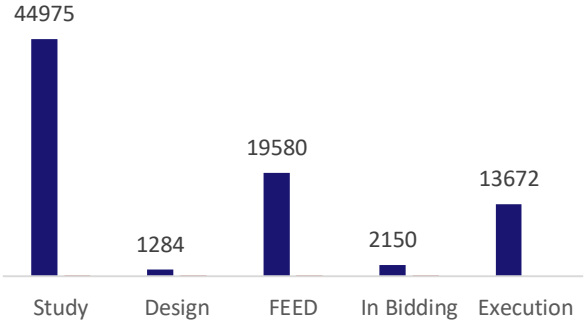


Egypt Project Contract Awards By Number, 2012-21 ($m)

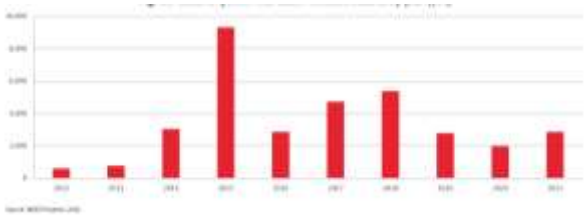


POWER AND WATER INFRASTRUCTURE IMPROVEMENT NEEDS PRESENT AN OPPORTUNITY

OIL AND GAS PROJECTS MARKET BY STATUS ($M) - MEED



VALUE OF POWER CONTRACT AWARDS BY YEAR ($M)



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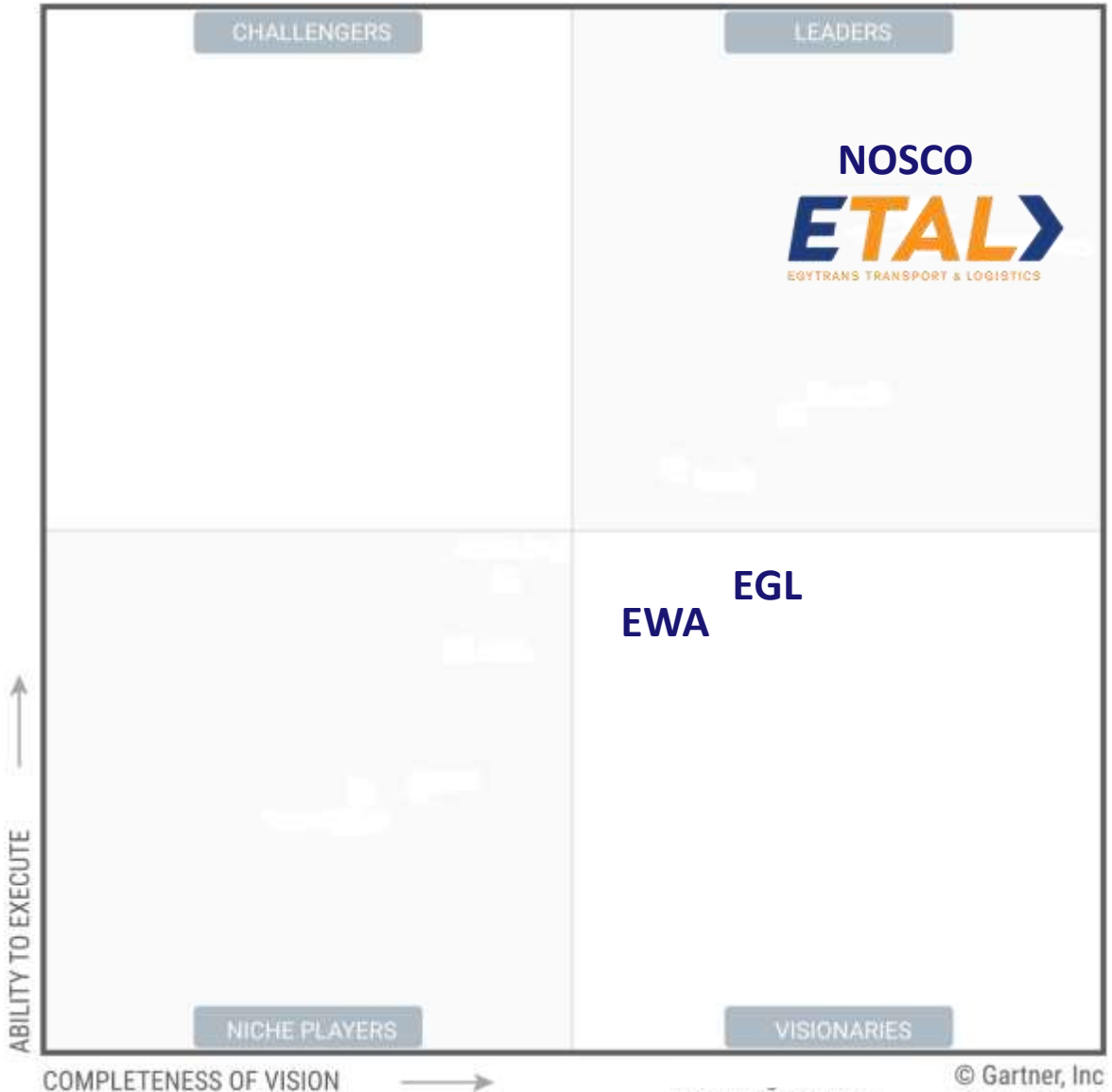
COMPETITIVE LANDSCAPE

Project Logistics



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SUBSIDIARY OVERVIEW

EDS…

COMPANY SYNOPSIS

Name	Egytrans Depot Solutions Co.
Sector	Liquid Bulk Logistics
Established	2010
Ownership	Fully Owned by Egytrans
Employees	15

SERVICES

- ISO Tank Cleaning
- ISO Tank Repair & Maintenance
- ISO Tank Inspection & Certification
- ISO Tank Storage
- Tank Trailer Cleaning

- Egytrans Depot Solutions Co., known as EDS, is a subsidiary of Egytrans, and a leading company in the field of Intermodal Transport Equipment services in Egypt.
- EDS is the first company in Egypt to provide ISO Tank container services for cleaning, repair, storage and maintenance, in accordance with international standards.
- EDS has established an impressive depot facility in Alexandria, and has plans to build and operate a network of depots in Egypt.
- Furthermore, EDS is studying the possibility of expanding regionally to capitalize on the demand for its services in Africa.
- The services offered by EDS' depot facility include: ISO-Tank Cleaning, Tank Truck Cleaning, Repair and Maintenance, Storage, as well as a collection of other services.

ISO TANK CLEANING SECTOR OVERVIEW

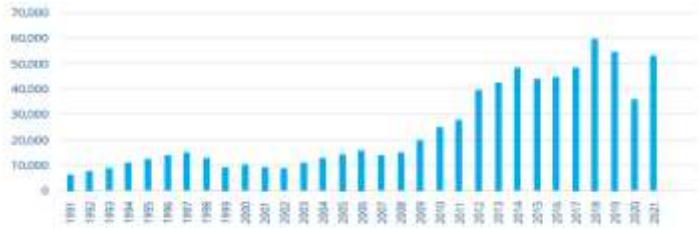
GLOBALLY ISO TANK INDUSTRY IS ON A REBOUND WITH PROJECTED CAGR OF 8.6% TO 2026 GROWTH OF MARKET DRIVES NEED FOR INCREASED CLEANING SERVICES

- **The global ISO tank containers market size is expected to grow to $1.57 billion in 2026 at a CAGR of 8.6%.**
- 2020 saw a decrease in tank cleaning due to capacity constraints in shipping along with increasing costs. 2021 saw a rebound with new added capacity. The global ISO tank container market size is expected to grow from $0.99 billion in 2021 to $1.57 billion by 2026 **at a compound annual growth rate (CAGR) of 8.6%.**
- High freight rates lead to an economic need to maximize the quantity of cargo shipped within an ISO container slot, with the tank container transporting about 60% more cargo compared with a container filled with drums seeing increasing demand for services in maintenance.
- **2022 saw increasing demand on all global trade lanes**, but the challenge of containership capacity constraints will continue slow down progress. The tank industry also faces a shortage of tank container cleaning and repair capacity , with investment and expansion of tank depots generally not keeping in line with global tank fleet expansion.
- Improvements in trade and logistics capability will see greater influx going forward for the ISO tank service market.
- **The growing petrochemical industry in Egypt and globally is expected to further propel the growth** of the ISO tank containers market in the forecast period. The ISO tank containers leave almost less than 50% of the carbon footprint and hence they are majorly used to ship chemicals **by petrochemical industries and the former is set to grow as Egypt increases chemical exports by 43%. The global petrochemicals market is expected to grow at a CAGR of 17.6% and Egypt at a lower rate of 6% is following suit. .** Additionally, according to the International Energy Agency, petrochemicals are expected to account for about 50% of the growth in global oil demand between 2030 and 2050, contributing nearly 7 million barrels of oil.. Therefore, the growth of the petrochemical industry drives the growth of the ISO tank containers market.

HEALTHY GROWTH IN ISO TANK CAPACITY WILL FUEL NEED FOR CLEANING SERVICES

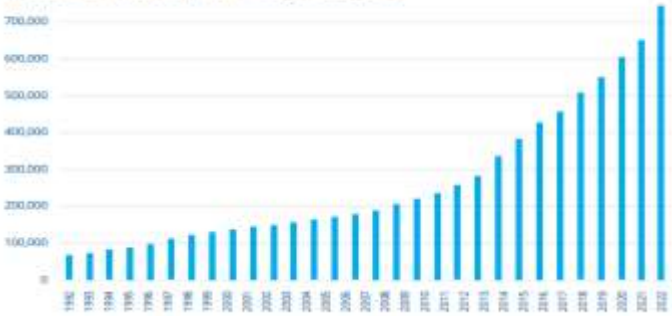
HEALTHY GROWTH IN ADDED CAPACITY

Figure 5: Tank Container Production (1990 to 2021)



TOTAL ISO TANK CONTAINER FLEET SIZE CONTINUES TO GROW

Figure 6: Total Fleet size (at 1st January of each year)



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COMPETITIVE LANDSCAPE

ISO Tank Cleaning

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The Future is Logistics…

TRANSPORT AND LOGISTICS
INDUSTRY OVERVIEW

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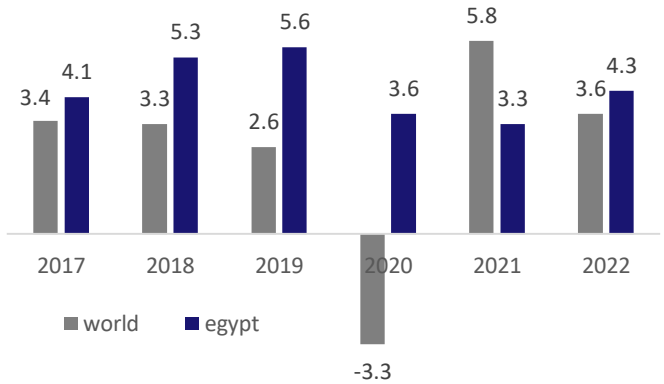
TRANSPORT AND LOGISTICS INDUSTRY OVERVIEW

MACRO FUNDAMENTALS SUPPORTING INDUSTRY GROWTH…

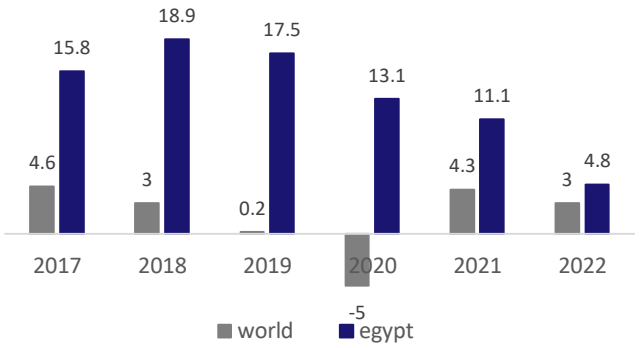
- Macroeconomic reforms have helped to stabilize the economy, allowing the government to weather adverse global conditions this is reflected in **growth above global averages.**
- The country's trade growth is expected to adjust towards its historical average in the long term, but is expected to **outperform world trade by almost double** in the short to medium term, boding well for transportation and logistics providers
- Egypt has been **scaling up infrastructure investments** since 2014, with more than EGP 1.2 T invested till 2020 (CBE) with FY 2021/22 with unprecedented allocations wit over EGP 1.25 trillion in planned public spending on infrastructure
- Total budget to 2030 is $ 500 bn for infrastructure projects planned or underway, **Egypt is the third biggest projects market in the Middle East and North Africa**
- The need to accommodate a rapidly growing population is driving the governments agenda to bring urban settlements from 7% up to 14% of the total area by 2030. These new cities have been fueling vast investments in infrastructure and construction.
- Investments are driven in large part by Egypt's rapidly increasing population, expected to reach 121 million by 2030. **According the WB Egypt has the fastest growing middle class in the world representing a strong driver for growth and massive potential for the sector.**

Egypt's real GDP growth and local trade outpacing global average…

World Real GDP Growth vs. Egypt Real GDP Growth %

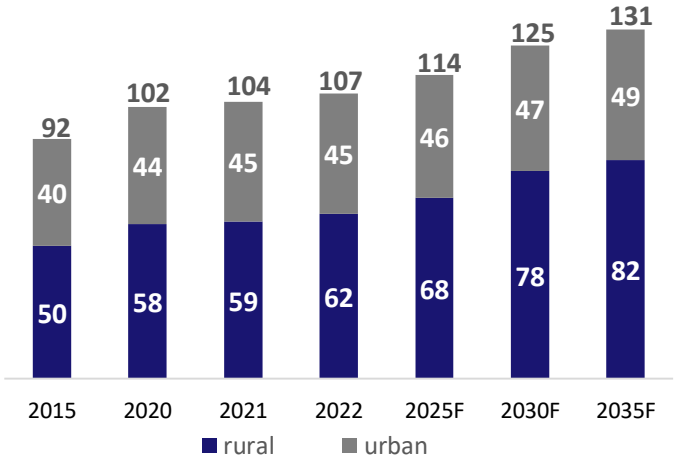


World Trade Growth vs. Egypt Trade Growth %

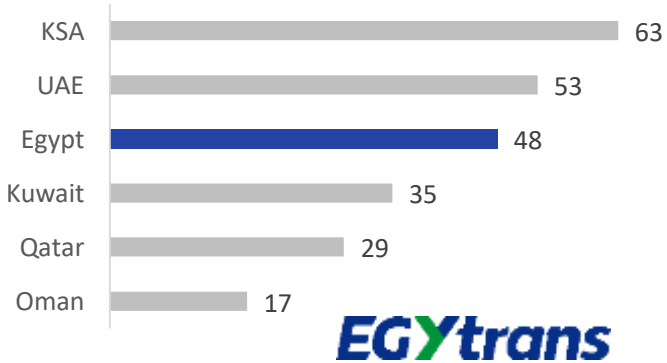


Priority to building infrastructure to become regional logistics hub in the long-term and accommodate rising need for growing population

Growing Urban Population Necessitates Long-Term Infra Investment…



Transportation Projects underway by MENA Country (USD bn) - Fitch solutions



TRANSPORT AND LOGISTICS INDUSTRY OVERVIEW

WORLD BANK SEES TRANSPORT SECTOR AS EGYPTS BIGGEST CASH COW

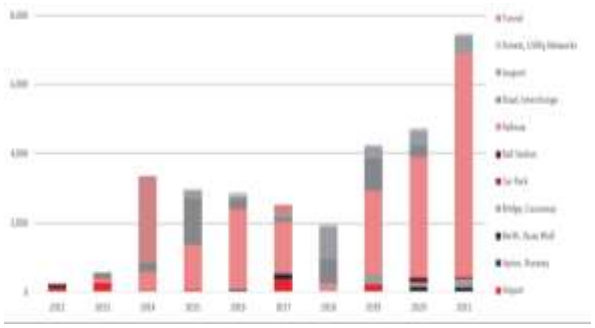
T&I MEA MARKET SET TO GROW AT 22% OVER THE NEXT 5 YEARS ABOVE GLOBAL AVERAGES

- The World Bank listed Egypt's transportation sector as one of its biggest cash cows in terms of attracting private investment and improving economic competitiveness. Increased investment and interest in logistics rising driven by exponential growth in Egypt and a projected CAGR of 8.6% to 2025 in e commerce. During the forecast period **2019-2025 transportation services is one of the segments that stand to gain significantly with the potential to grow at over 22%**
- The government has accordingly continued to open up market access to encourage more private investors to plug its financing gap. The private sector has, on average, accounted for 31% of total investments in transportation over the past five years. Private investments have been steadily growing, rising from EGP 14.5 billion in FY 2015/16 to EGP 21.7 billion in FY 2019/20 with investment decreasing to 11bn in 21 following the pandemic. Government spending of 1.7 trillion on investment sees increased interest by international players with new expanded entrants into the market
- Egypt logistics market will foster growth in the upcoming years owing to increasing government initiatives backed up with increasing prominence of 3PL. The dominance of 1PL and 2PL has been declining, whereas 3PL has been growing at a phenomenal rate driven by rise in retail . FMCG industry along with changes from JIT to Just in case production has driven the demand of warehousing services . Expansion of e tail industry has aided to this segment by increasing need for warehousing services for storage of international and domestic goods.
- Substantial investments are being deployed towards the development and maintenance of key roads and ports**, bringing up 10 fold capacity forecasts.**
- The need for investments in the transportation sector bodes extremely well for transportation and logistics companies, which stand to profit from the structural improvements to be made in the country's transportation networks across all modes, and from the implementation and execution of such projects.

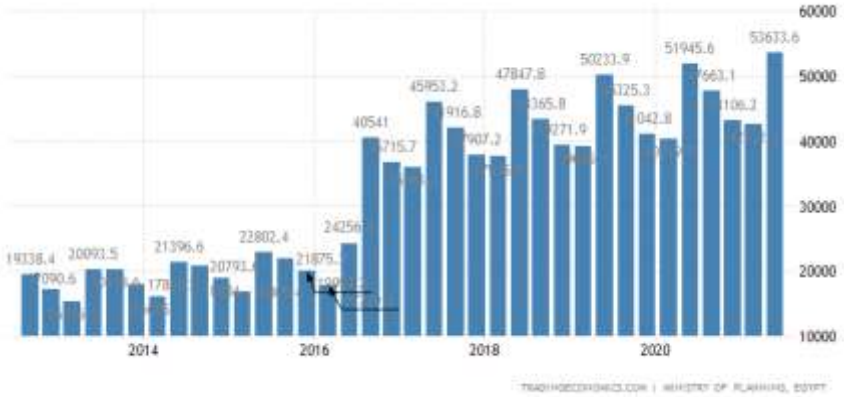
Transportation Infrastructure Project Value by year and subsector 2012 - 21 (USD mn) MEED

Public Sector Infrastructure Spend

Subsector	Allocation EGP
Transportation	385 bn
Housing	176 bn
Education	56 bn
Healthcare	47.5 bn
Energy	43 bn
Water & Sewage	22.5 bn
ICT	18.6 bn



GDP from Transport continues growth trajectory



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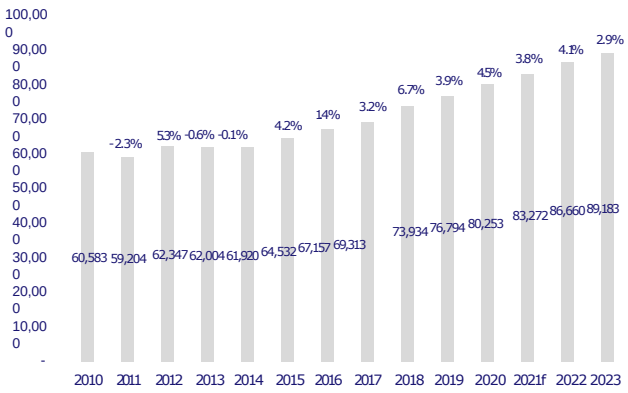
TRANSPORT AND LOGISTICS INDUSTRY OVERVIEW

ROAD FREIGHT GROWTH UNDERPINNED BY STRONG CONSUMER DEMAND AND 40% IMPROVEMENT IN CAPACITY …

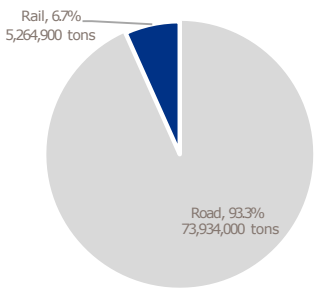
- Egypt's 120,000-km road network has seen substantial development since 2014, adding at least 7,000 km of roads in the past seven years at a price tag of 1.2 tr by 2024
- Accordingly GCR's "quality of road infrastructure" metric to climbed to 28 in 2019 compared to 118 in 2015. The 2019 GCR ranked Egypt 52 in road connectivity, compared to 125 in 2015.
- In the longer term, significant road capacity investment will underpin steady expansion in road freight volumes
- Looking beyond the medium term, we see little scope for road freight being usurped as the key mode of freight transport in Egypt, given its current dominance, and the impracticalities involved with connecting some markets rail network.
- **Road Freight tonnage is set for robust growth over the short, medium and long term. According to Fitch Solutions, road freight tonnage is set to grow at a 5-year CAGR of 3.17%, increasing from 74mn tons in 2018, to 89mn tons in 2023.**
- One of the key factors for success **is improving connectivity** to major production and consumption centers, including not just urban centers like Greater Cairo, but also less connected areas like Upper Egypt, which accounts for a significant percentage of the population and share of agricultural production volumes.

ROAD FREIGHT TONNAGE 000S, %GROWTH (2010-2023)



ROAD TO CONTINUE LAND TRANSPORT DOMINANCE…

Land Transport Tonnage Breakdown by Mode (2018)



ROAD FREIGHT TONNAGE FORECASTS- EGYPT (2016-2023)

Indicator	2016	2017	2018	2019	2020	2021	2022	2023
Road Freight Tons (000s)	67,157	69,313	73,934	76,794	80,253	83,272	86,660	89,183
Road Freight Tons %y-o-y	1.4%	3.2%	6.7%	3.9%	4.5%	3.8%	4.1%	2.9%

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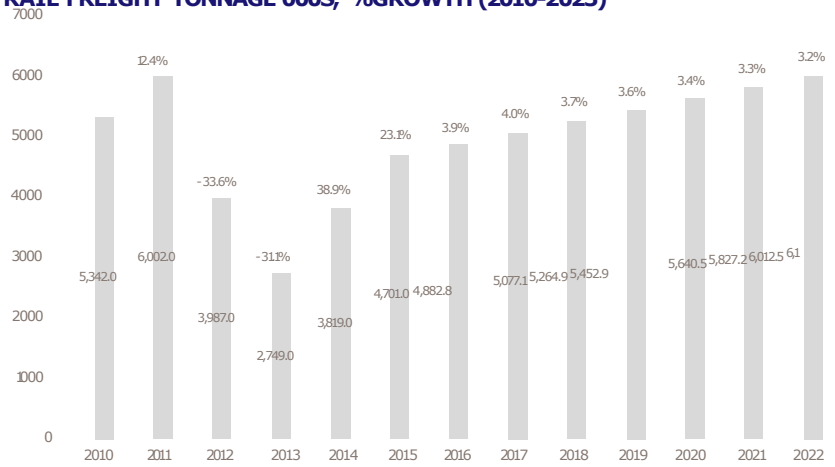
TRANSPORT AND LOGISTICS INDUSTRY OVERVIEW

RAIL TRANSPORT TO INVESTMENT OVERHAUL WILL SEE CARGO CAPACITY GROW 900% BY 2025

- The railway sector is primed for robust long-term growth, as the government initiates a wide-ranging investment push with several significant projects on the way to completion.
- Only 1% of Egypt's cargo is transported nationwide via the 10 000 km rail (EU average 18%), The new plan unveiled by the Egyptian Railway Authority (ERA) in 2021 will see an **increase in rail freight from 5.6 mn tons to 25 mn tons by 2025 and 30mn by 2030.**
- With the planned rail infrastructure investments over the next 5 years, rail freight tonnage is set to capture a larger portion of land transport tonnage volumes, with the government aiming to increase rail's tonnage share of land transport from 6.7% in 2018, to 12% after investment.
- When all projects are complete, **Egypt's total rail network should see a nine-fold boost in its capacity** and will serve almost all urban centers,
- Nonetheless, **we forecast the rate of freight expansion will lag that of road**.
- According to Fitch Solutions, rail freight tonnage is set to grow at a 5-year CAGR of 2.75%, increasing from 5.2mn tons in 2018, to 6.2mn tons in 2023.

RAIL FREIGHT TONNAGE 000S, %GROWTH (2010-2023)



RAIL FREIGHT TONNAGE FORECASTS- EGYPT (2020-2023)

Indicator	2020	2021	2022	2023
Rail Freight tons (000s)	5,640.5	5,827.2	6,012.5	6,195.9
Rail Freight tons, %y-o-y	3.4%	3.3%	3.2%	3.1%
Rail Freight tons-km (mn ton km)	1,759	1,798	1,875	1,913
Rail Freight tons-km, %y-o-y	4.8%	2.2%	4.3%	2.1%

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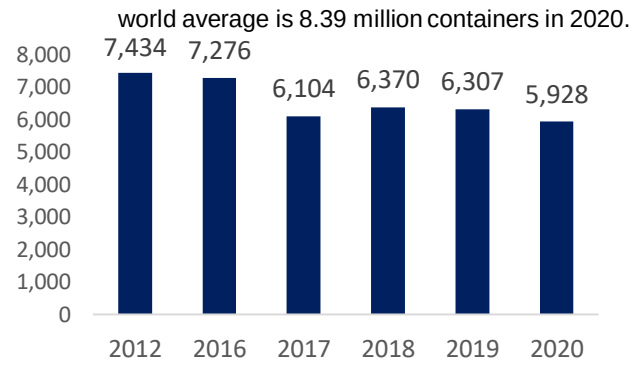
TRANSPORT AND LOGISTICS INDUSTRY OVERVIEW

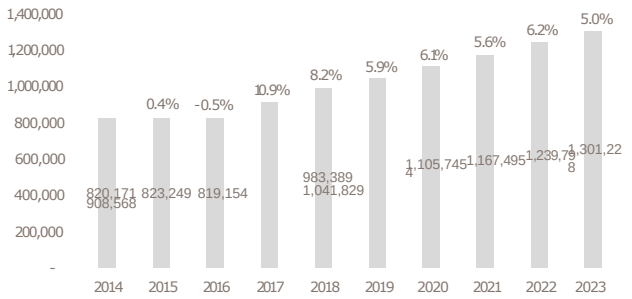
SEA FREIGHT GROWTH ENHANCED BY STRONG INVESTMENT TO REACH 5-FOLD CAPACITY…

- The World Bank ranked the nation's ports complex **18th in the world, noting that improvements could boost exports by USD 12 billion.**
- The USD 12.4 billion National Ports Development Plan (NPDP) launched in 2017 **will increase total tonnage handled per year from 120 mn tn to 600 mn by 2030**, through a overhaul of the current 15 ports infrastructure and logistics capability.
- Work is currently underway to build 35km of new berths to bring the total length to around 73km which can **together accommodate 370 mn tonnes of cargo and 22 mn containers annually.**
- Current seaport projects upgrades include East Port Said Port,Damietta, Alexandria and Abu Qir ports. The Port Sokhna expansion project, which will make it the largest port on the Red Sea, is due to be complete by 2023.
- Also underway is the establishment of 9 dry ports and 8 logistic centers that **would accommodate more than 5 million TEUS annually**, in addition to developing 7 land ports on the Egyptian borders .
- Also in the pipeline **is a one-stop-shop system** launched in 2021, featuring services to facilitate international trade, such as invoices and customs clearance, payment processing, shipment monitoring, port-to-customer communication portals and others.
- Container imports will be supported by steady economic growth , while liquid bulk exports will be boosted by strong growth in LNG exports **We also anticipate robust growth at facilities that focus on transshipment trade.**

CONTAINER PORT TRAFFIC PER TEU, MN (2021)



SUEZ CANAL CONTAINER THROUGHPUT 000S, TEUS, %GROWTH (2014,2023)



SEA FREIGHT THROUGHPUT AT EGYPT'S MAJOR PORTS FORECASTS- EGYPT (2019-2023)

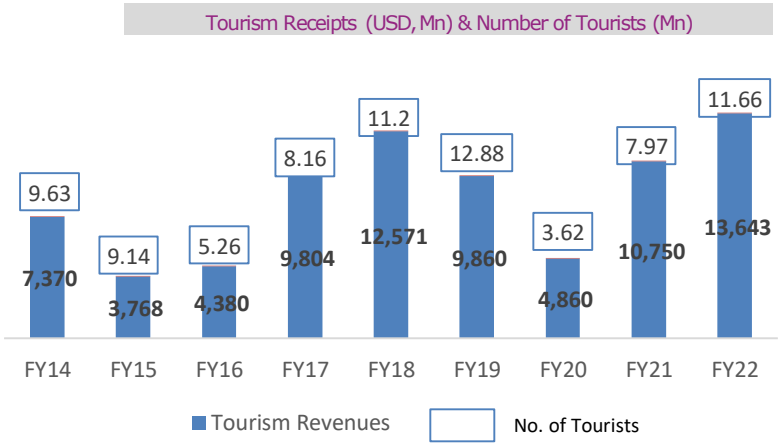
Indicator	2019	2020	2021	2022	2023
Suez Canal tonnage throughput, tons000s	1,041,829	1,105,745	1,167,495	1,239,794	1,301,228
Suez Canal tonnage throughput, tons%y-o-y	5.9%	6.1%	5.6%	6.2%	5.0%
Port of Alexandria tonnage throughput, tons 000s	30,720	31,252	31,805	32,835	33,344
Portof Alexandria tonnage throughput, tons %y-o-y	1.7%	1.7%	1.8%	3.2%	1.6%
Port of Damietta tonnage throughput, tons000s	40,644	42,270	44,024	45,917	47,960
Port of Damietta tonnage throughput, tons%y-o-y	3.9%	4.0%	4.2%	4.3%	4.3%

OVERVIEW

AIR FREIGHT TO BENEFIT FROM REBOUND IN TOURISM ARRIVALS AND EXPANSION IN

- Air transport in Egypt is well developed, and the country boasts one of the busiest passenger and cargo hubs in Africa
- The airport sector is undergoing considerable investment, which should allow the country to increase its role as a major air transport hub in the region
- Egypt has a total of 15 airports, with Cairo the main hub for the nation. Plans for a fourth terminal at Cairo International Airport, which could bring the total capacity up to 30 million passengers a year.
- As part of a long-term plan to turn Cairo International Airport (CAI) into an aerotropolis – a transit, logistics and manufacturing cluster – the Cairo Airport Company (CAC) will establish Cairo Cargo City with a total capacity of 290,000 tns per year. The new cargo city will include three terminals for export, import and DHL express services.
- To accommodate the expected increase in air traffic and alleviate pressure on CAI, two new airports were inaugurated in 2020: Sphinx International Airport (SPX) serving the Giza area and the Capital International Airport (CCE) serving east of Cairo and is also a key pillar in the development of the Ain Sokhna Port in the Suez Canal Economic Zone.
- As a result of recovering tourist activity, Fitch Solutions forecasts air freight tons- km to grow at a 5-year CAGR of 2.45%, increasing from 441 mn ton km in 2018, to 510 mn ton km in 2023.

REBOUND IN TOURISM RESULTING IN INCREASED AIR FREIGHT ACTIVITY



AIR FREIGHT TONNAGE FORECASTS- EGYPT (2016-2023)

Indicator	2020	2021	2022	2023
Air Freight tons-km (mn ton km)	470	483	499	510
Air Freight ton-km, %y-o-y	3.5%	2.9%	3.2%	2.3%

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TRANSPORT AND LOGISTICS INDUSTRY OVERVIEW

INTERCONTINETAL CONNECTIVITY TO FERMENT EGYPTS VISION OF BECOMING THE LOGISTICS HUB FOR AFRICA

Egypt is one of the most lucrative markets for the logistics industry in Africa. Egypt's unique geographic location combined with an expanding infrastructure base is enhancing the country's position as a key global logistics hub.

With the arrival of the African Continental Free Trade Agreement, overland alternatives to maritime and air transportation can further facilitate intra-Africa trade.

RAIL

- The government is also implementing cross-border railway projects. In April 2021, the MOT announced a EGP 7 bn a 450-km railway line linking Egypt and Sudan to be complete by July 2024.

SEA

Egypt has a total of 15 commercial seaports: six on the Mediterranean Sea and nine on the Red Sea. Egypt intends to connect Africa and the Middle East with Europe and Asia through increasing transportation capabilities and improving efficiency.

A key part of this is ports

Two new seaports—the Port of Berenice, about 250 km from the Sudanese border, and the Jerjoub Port, 200 km from the Libyan border—would become operational in 2022

LAND

- There are a number of intercontinental highway projects in the works.
- The most significant is the 10,300-km Cairo to Cape Road (Pan-African Highway) connecting Egypt to South Africa through eight other African countries.. The roads in the Egyptian territory were completed in February 2019, and the final leg to Wadi Halfa in Sudan is due to be complete by 2024 at a cost of EGP 26 billion.
- Other cross-border projects include a 1,100-km road through Libya to Chad and a coastal road from Salloum in northwestern Egypt to Benghazi in eastern Libya.
- Egypt's territory includes one of Africa's vital motorways, which spans from Cairo to Dakar through Alexandria and west along the North African coast to the Senegalese capital.
- A new bridge potentially to be built between Egypt and Saudi Arabia would be a boon for the Egyptian road and rail freight sectors.

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T&L INDUSTRY OVERVIEW

INDUSTRY SWOT ANALYSIS

STRENGTHS

- Location on the Mediterranean Sea and Red Sea gives Egypt access to major East-West shipping routes
- The Suez Canal, a key passage for world trade movements, ensures Egypt is a major player in the global logistics sector.
- With a large population and competitive labor costs, Egypt is poised to boost exports, particularly to the EU. This will require the development of its freight transport capabilities.
- Large middle class spending driving FMCG and e-commerce
- The government has already taken the initiative to strengthen Egypt's transport infrastructure, as evidenced by the number of transport projects in the works.

WEAKNESSES

- Sub-optimal transport infrastructure raises cost of transport.
- Red tape and difficult operating environment place constraints on the business environment
- The floatation of the Egyptian pound in 2022 has led to a decrease in demand for imports as inflation puts downward pressure on spending power.
- New regulations limiting import capability along with illiquidity in foreign currencies adversely affected imports
- The high reliance on imports of the national agricultural sector will continue to depress the dollar-strapped economy.

OPPORTUNITIES

- Marked improvement in transport and logistics give positive outlook for the sector in the medium term.
- Diverse government projects creating regional links along with improvements in operations will position Egypt as a transport and logistics hub for the region.
- New government legislation has allowed quasi-governmental bodies, such as Egyptian railways, to issue bonds, which will in turn result in greater investment.
- China, Turkey and Spain, using Egypt as a manufacturing base for exports targeted at the European market.
- Increased disrupters in the industry bringing digital solutions
- Increasing e-commerce penetration and rising 3PL requirements along with a resumption following COVID of infrastructure sector, will boost dry bulk and project volumes at Egypt's ports and on its roads.

THREATS

- Political unrest in the region could continue to have a negative impact on shipping in the region over the medium term.
- War and COVID has placed the logistics and transport world in distress wit prices sky rocketing
- Structural impediments to trade, such as overly bureaucratic customs procedures, may dissuade potential trade and investment, thus negatively affecting the freight sector.
- EgyptAir Cargo, the national air freight carrier, may not be able to cope with increased competition from the aggressive expansion of Gulf carriers.

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TRANSPORT AND LOGISTICS INDUSTRY OVERVIEW

KEY INDUSTRY TAKEAWAYS…

1 National Priority..

- Government focused on developing Egypt into the logistics hub for the region
- AfCFTA will boost intercontinental trade
- Growing, increasingly urban population (40% of which is under the age of 18)
- African continent has the fastest growing middle class globally with Egypt having the largest growing middle class in the world
- Economic structural reforms will reap rewards as growth continues above global averages despite geopolitical setbacks

2 T&L Investment…

- Massive investments in infrastructure due to bear fruit by 2025
- Strong growth in logistics startups disrupt industry and create higher efficiencies
- Strong project pipeline
- Focus on digitalization and improving bureaucratic red tape will increase efficiency

3 Accelerating Capacity…

- Road freight tonnage is set to grow at a 5-year CAGR of 3.17%, increasing from 74mn tons in 2018, to 89mn tons in 2023
- Rail freight tonnage is set to grow at a 5-year CAGR of 2.75%, increasing from 5.2mn tons in 2018, to 6.2mn tons in 2023
- Strong sea and air freight growth dynamics set to support construction boom through the provision of key raw materials

Robust Industry Dynamics

- With government plan set to be in place in 2025 potential to become regional hub is high
- The Transport and Logistics Industry in Egypt is primed for strong, sustained growth over the short-medium-long term
- Exponential growth in capacity to support burgeoning spending power as economic transformation begins to reap rewards
- Interconnectivity within and beyond borders will increase trade potential
- Investments in the country's transport infrastructure network should enhance the company's profitability and operational efficiency
- Multimodal transport will rise reducing costs and increasing operational efficiencies
- Capability for cross border transactions for land locked African countries in place to support international growtn targets

The Future is Logistics…

STRATEGIC DIRECTION

EGXtrans

STRATEGIC DIRECTION

3 PILLARS OF GROWTH…

Our strategic direction incorporates the risks in our environment. To be ready for the future we must be lean and invest in the business by re-allocating investment to capacity building improvements and potential growth.

Geographic Expansion

Expand Presence of Tank Cleaning Business

- Exploit Egytrans leadership position in the ISO Tank cleaning & repair market in Egypt
- Expand EDS services locally and regionally (West Africa)

Expand Presence of Project Logistics Business

- Exploit Egytrans' technical expertise and market leadership in project logistics in Egypt
- Achieve high utilization of ETAL's considerable fleet
- Expand project logistics solutions regionally (MENA, Africa)

Build an international presence in forwarding

- Enhance and expand our agent network
- Opening offices in new markets to serve our highest volume trade lanes instead of depending fully on external agents

Solidify Market Leadership

Digital Transformation

Business Automation

- Adopt best-of-breed IT applications to meet changing market demands
- Standardize processes, increase efficiency, enhance productivity and control costs across the organization

Digitalization

- Transform the way we connect with and support our customers, business partners and work teams through digitalization
- Enhance level of service, reach new markets and increase competitiveness compared to multinational industry players

Capture Growth Potential

Business Growth

Expand Warehousing Platform

Exploit existing experience to expand service offering:

- Leverage and expand assets (Land and warehouses) and expand Egytrans capacity
- Develop into a full-fledged 3PL/4PL service provider

Grow market share

- Expand customer base through targeted sales & marketing
- Strengthen key services in LCL and export

Penetrate various sectors

- Leverage Egytrans' technical expertise in project logistics to increase penetration in the oil & gas sector
- Exploit our reputation and knowhow to target high-growth sectors that require sophisticated solutions like cold-chain logistics

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EGYTRANS TRANSFORMATION STRATEGY

KEY ENABLERS

Egytrans has structured its ongoing transformation strategy within six key themes, each supported by people, process and technology changes as appropriate

		People	Process	Technology
1	**Leadership and governance**	*Update and enhance corporate governance structure and procedures to ensure clear accountabilities and defined authority, effective appointment procedures for senior vacancies, and to build risk management into the core of the governance culture*		
2	**Financial management & controls**	*Egytrans is addressing the financial management and control issues through a core focus on cash generating activities. These include a balance sheet restructuring; P&L control; tight working capital management and better financial and management reporting*		
3	**Business Process Automation & Digital Transformation**	*Ensuring that an enabling IT infrastructure and associated systems, processes and interfaces are in place, increasing operational efficiencies and building competitive advantage to support the business strategy and mandate requirements of Egytrans*		
4	**Human capital development**	*To enable the organisation by developing critical skills and capabilities that can adapt to the changing needs of the organisation, enhancing productivity, and instilling a culture of good people management processes*		
5	**Improving return on operations**	*Create strong commercial integration and management to improve market share and profit generation*		
6	**Restoring brand equity**	*Grow credibility and reputation by implementing a corporate brand marketing program, improving the quality and reach*		

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STRATEGIC DIRECTION

GROUP RESTRUCTURE…

Operating environment requires leaner efficient structure with Egytrans corporate acting as central services hub.

EGYtrans
(Listed on EGX)

Shared Services: HR, Finance, IT, Legal, QHSE, Internal Auditing, Governance & Sustainability, Business Development & Marketing

New structure to be implemented over 2024-2025 will bring improved capability.

EDS – EGYTRANS DEPOT SOLUTIONS

ISO Tank Services:
Cleaning
Maintenance
Periodic Tests

ETAL – EGYTRANS TRANSPORT & LOGISTICS

Specialized Fleet
Land Transport
Projects Business Unit:
Technical & Commercial
Adabeya Bonded Storage

ELS – EGYTRANS LOGISTICS SOLUTIONS

Activities:
Sea Freight, Air Freight
Consolidation
Customs Clearance
Transit
Other Services

EAS – EGYTRANS AUTO SOLUTIONS

New Warehouse in Ain El Sokhna

Activities:
Used car storage
Consolidation/LCL

- Experienced, dedicated management for each sector focusing on growing the business internationally and locally
- Each entity has the potential to form separate partnerships, attract strategic investors, divest all or part of the company
- Possible to list individual companies or expand regionally or globally
- Possible to add diverse other T&L arms under the holding company
- Unified strategic growth direction for each sector
- Overall sector profitability & results visible and measurable

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STRATEGIC DIRECTION – EGYTRANS

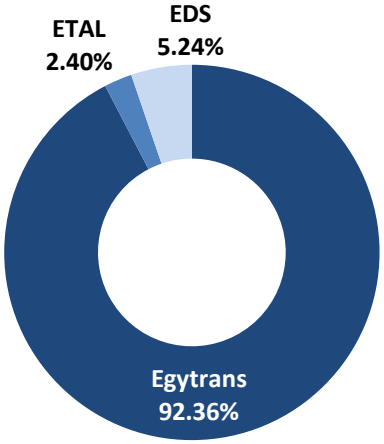
CURRENT INITIATIVES FORECAST TO GENERATE 200% INCREASE IN REVENUE OVER 2 YEARS

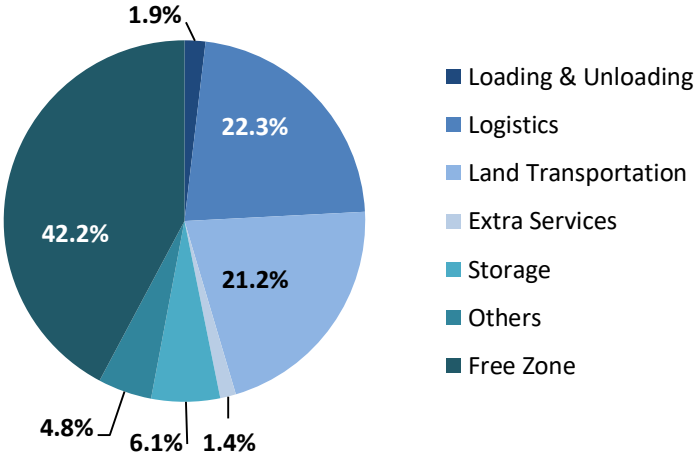
Through growth in:

- Core Services Portfolio
- New Customer Acquisition Growth
- Revival of freight business
- Improvement in regular business procedures , management and capability.

Actual standalone results based solely on Core Services and New Customers:

- Our efforts to optimize costs and explore growth opportunities
- 2023 Y-on-Y 51% growth in GP
- Q4 2023 Y-on-Y 171% growth in GP
- Q4 2023 Y-on-Y NP growth 860%
- Groundwork has been laid for more accelerated growth going forward.





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STRATEGIC DIRECTION – ETAL

FOCUS ON INCREASING PROFITABILITY

Through:

- Maintaining strong leadership position in high-potential Wind Farm market.
- Leveraging current partnerships to target projects within the GCC and North Africa Regions.
- Further development of specialized fleet capabilities in line with increasing project cargo requirements.
- Addition of trucking capacity to improve margins and increase on ground capability.
- Sales of haulage and specialized transport services to other forwarders with a non-compete agreement.
- Continuous development of team technical capabilities.
- Digitizing fleet management to optimize costs.

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STRATEGIC DIRECTION – EDS

FOCUS ON GROWTH

Through:

- Maintaining market share.
- Maintaining and growing technical leadership.
- Increasing digital capabilities for enhanced customer service.
- Expansion in new markets regionally.
- Added bonded warehouse services.

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STRATEGIC DIRECTION – EGYTRANS AUTO SOLUTIONS

FOCUS ON GROWTH

Through:

- Leveraging current market leadership position and customer base in Port Said Free Zone and continuing to grow market share.
- Setting up new 10,000 m^2 warehouse in Ain Sokhna (SCZone)

Current warehouse in Port Said Free Zone

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INTEGRATED SOLUTIONS

WHEN IT ALL COMES TOGETHER IT ADDS UP

The Future is Logistics…

FINANCIALS

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APPENDIX: FINANCIALS

INCOME STATEMENT STANDALONE 2023

Item	2022	2023	Change YoY
Revenues	373,809,445	382,486,824	2.3%
Costs	(307,953,927)	(283,134,744)	-8.1%
Gross Profit	**65,855,518**	**99,352,080**	**50.9%**
SG&A	(57,075,639)	(71,726,073)	25.7%
Sundry Expense	(19,264,822)	(21,141,138)	9.7%
Sundry Income	12,495,851	14,140,110	13.2%
EBIT (Net Operating Profit)	**2,010,908**	**20,624,979**	**925.7%**
Investment Income	18,898,023	17,913,454	-5.2%
Net Interest Income	(4,442,188)	(2,579,465)	-41.9%
FX Gain/Loss	31,512,510	24,160,078	-23.3%
Net Profit Before Taxes	**47,979,253**	**60,119,046**	**25.3%**
Taxes	(7,565,877)	(2,464,674)	-67.4%
Net Profit After Taxes	**40,413,376**	**57,654,372**	**42.7%**

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APPENDIX: FINANCIALS

BALANCE SHEET STANDALONE 2023

Item	2022	2023	Growth
Net Fixed Assets	64,255,852	66,960,318	4.2%
Accounts Receivable	78,227,736	97,555,104	24.7%
Other Debtors	40,206,146	21,930,049	-45.5%
Cash	59,872,689	61,141,979	2.1%
Total Assets	**392,745,425**	**429,142,151**	**9.3%**
Accounts Payable	32,795,951	35,044,098	6.9%
Other Creditors	38,774,343	54,907,965	41.6%
CPLTD	772,149	994,214	28.8%
LTD	5,711,354	5,360,820	-6.1%
Total Liabilities	**146,307,527**	**153,579,571**	**5.0%**
Total Shareholders' Equity	**246,437,898**	**275,562,850**	**11.8%**

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APPENDIX: FINANCIALS

INCOME STATEMENT STANDALONE Q4 2023

Item	4Q22	4Q23	Change YoY
Revenues	100,637,128	131,547,623	30.7%
Costs	(85,740,409)	(91,162,143)	6.3%
Gross Profit	**14,896,719**	**40,385,480**	**171.1%**
SG&A	(18,051,381)	(19,506,175)	8.1%
Sundry Expense	(17,505,971)	(15,958,900)	-8.8%
Sundry Income	7,338,191	10,201,303	39.0%
EBIT (Net Operating Profit)	**(13,322,442)**	**15,121,708**	**-213.5%**
Investment Income	(3)	0	100.0%
Net Interest Income	(814,338)	(754,631)	-7.3%
FX Gain/Loss	20,048,836	360,201	n/a
Net Profit Before Taxes	**5,912,053**	**14,727,278**	**149.1%**
Taxes	(4,341,966)	350,619	-108.1%
Net Profit After Taxes	**1,570,087**	**15,077,897**	**860.3%**

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