

**EG**trans



**9M 2024**  
EARNINGS RELEASE

EGYTRANS  
[ETRS.CA; ETRS EY EQUITY]



Egytrans Achieves Stellar **9M**  
**2024** Performance: Revenue  
Surges 110%, Profits Soar 424%

KEY HIGHLIGHTS  
CONSOLIDATED **9M 2024**

**Revenues** more than doubled Y-o-Y to EGP 580.3 million.

**Gross Profit** increased by almost 3-fold Y-o-Y to EGP 227.2 million.

**Gross Profit margin** increased by 1,407 basis points to reach 39.2%

**SG&A** expenses grew by 42% Y-o-Y to EGP 82.0 million.

**EBIT** increased to reach EGP 130.0 million

**Net Profit** registered a record-breaking EGP 197.1 million, marking more than 5-fold increase.

**Net Profit Margin** grew by 2,033 basis points to register 34.0%.

# Egytrans Delivers Strong Financial Performance in 9M 2024

Egytrans has defied market challenges and achieved remarkable financial growth in the first nine months of 2024. Revenue doubled year-over-year thanks to the successful completion of the Amunet project and expanded core logistics operations. Profitability saw a significant boost with a healthy gross profit margin and cost-saving measures. Strategic investments led to improved cash flow, and net profits soared due to core business improvement, project success, and favorable foreign exchange. This is amidst significant challenges in the core logistics business environment and strategic operational changes.





# Revenue Growth

Egytrans' strategic focus on cost management, client acquisition, project execution, and margin revisions directly contributed to the company's strong profitability performance in 9M 2024.

Revenue more than doubled year-over-year to EGP **580.3** million in **9M 2024**.

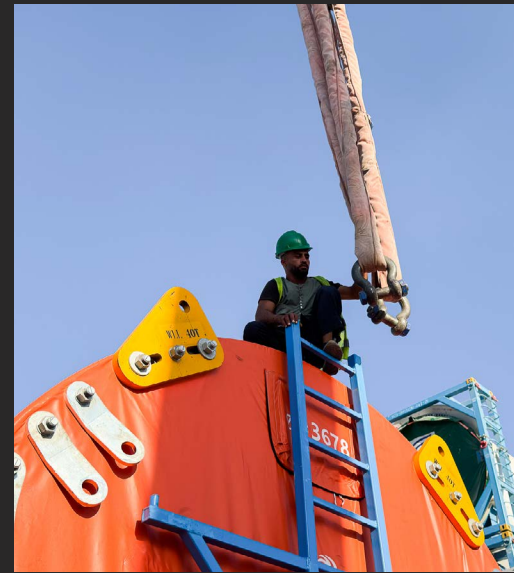
## Gross profit

saw a substantial 3-fold increase to EGP 227.2 million in 9M 2024, resulting in a healthy gross profit margin of 39.2% reflecting improved operational efficiency and cost management. Notably, cost control measures mitigated the impact of a 42% rise in SG&A expenses driven by the inflationary environment.

Furthermore, Egytrans' operational effectiveness is underscored by a significant increase in EBIT to EGP 130.0 million.

## Improved Cash Flow Management

Strategic investments in high-yield instruments as part of prudent cash management practices generated a net interest income of EGP 2.9 million in 9M 2024, replacing a prior net interest expense.



## Net Profit Growth

Net profits significantly increased to

**EGP 197.1 million in 9M 2024,**



a more than fivefold increase compared to the previous year. This impressive growth reflects a combination of factors:

- **Core Business Improvement:** The core logistics business witnessed significant improvement despite the stalling of the Free Zone business and the impact of a challenging business environment.
- **Project Success:** The projects division, particularly the Amunet wind farm project, has contributed significantly to the company's performance, delivering strong revenues (EGP 231.8 million). The project was completed in early November as planned. With the close of this project, smaller projects are in the works. Given the cyclical nature of the project business line, the contribution of projects to revenue is expected to decline sharply in the short term until new projects in the pipeline are realized.

## Consolidated Income Statement In EGP

Item	9M24	9M23	Change YoY
Revenues	580,302,512	276,150,709	110.1%
Costs	(353,106,578)	(206,899,846)	70.7%
<b>Gross Profit</b>	<b>227,195,934</b>	<b>69,250,863</b>	<b>228.1%</b>
SG&A	(82,043,396)	(57,859,284)	41.8%
Other Expense	(16,326,900)	(5,265,473)	210.1%
Other Income	1,228,256	1,195,646	2.7%
<b>EBIT (Net Operating Profit)</b>	<b>130,053,894</b>	<b>7,321,752</b>	<b>1676.3%</b>
Investment Income	13,976,731	10,977,722	27.3%
Investment in Securities	24,016,900	0	N/A
Net Interest Income	2,921,498	(1,816,652)	N/A
FX Gain/Loss	82,307,354	24,365,685	237.8%
<b>Net Profit Before Taxes</b>	<b>253,276,377</b>	<b>40,848,507</b>	<b>520.0%</b>
Taxes	(56,130,779)	(3,191,594)	1658.7%
<b>Net Profit After Taxes</b>	<b>197,145,598</b>	<b>37,656,913</b>	<b>423.5%</b>
Minority Interest	(2,968)	(1,098)	170.3%
<b>Net Profit After Taxes &amp; Minority Interest</b>	<b>197,142,630</b>	<b>37,655,815</b>	<b>423.5%</b>
EPS	1.26	0.24	

## Margins & Ratios

Item	9M23	9M24	Bps
Costs / Revenues Ratio	74.9%	60.8%	-1,407.4
Gross Profit Margin	25.1%	39.2%	1,407.4
EBIT Margin	2.7%	22.4%	1,976.0
Net Profit Margin	13.6%	34.0%	2,033.7
SG&A/Revenues Ratio	21.0%	14.1%	-681.4

## Selected Balance Sheet Consolidated In EGP

Item	9M 2024	2023	Growth
Net Fixed Assets	196,134,621	170,542,408	15.0%
Accounts Receivable	227,497,135	107,312,878	112.0%
Other Debtors	117,753,414	47,312,976	148.9%
Projects Under Construction	81,535,520	57,550,746	41.7%
Cash	181,744,855	68,592,743	165.0%
<b>Total Assets</b>	<b>953,790,557</b>	<b>553,363,992</b>	<b>72.4%</b>
Accounts Payable	94,749,026	41,487,342	128.4%
Other Creditors	99,281,804	53,231,637	86.5%
CPLTD	2,565,704	2,257,905	13.6%
LTD	11,137,891	13,104,009	-15.0%
<b>Total Liabilities</b>	<b>320,783,426</b>	<b>176,170,597</b>	<b>82.1%</b>
<b>Total Shareholders' Equity</b>	<b>633,007,131</b>	<b>377,193,395</b>	<b>67.8%</b>



# Operational Review

## Core Business Expansion:

### Free Zone Business Adjustments Amid Regulatory Changes

This quarter, our Free Zone business witnessed a significant slowdown, with revenues declining by 82%. This was driven by the combined impact of currency fluctuations, the Red Sea crisis and a temporary ban on cars for special needs imposed in May 2024 followed by Prime Ministerial Decree No. 3500 for 2024, issued in October completely banning the import of cars for special needs from free zone areas. As a result, we are currently managing a large inventory of previously imported cars in storage and working toward a resolution for their release.

Looking ahead, we are taking this opportunity to realign the Free Zone business with our long-term strategy. Egytrans previously announced plans for transitioning operations from Port Said to Ain El Sokhna, in line with a previous decree, and diversifying the Free Zone branch's business model. The new focus will include warehousing and value-added services, which we believe will create a more sustainable and resilient revenue stream.

While this strategic shift addresses regulatory challenges and aligns with our broader business priorities, it will result in a temporary impact on the revenues of the Free Zone business. Historically, this has been a high-performing segment in foreign currency, and we remain committed to ensuring its long-term success following a new direction.

## New Transit Service Fuels Growth

This quarter, we successfully launched a new transit service connecting Mediterranean and Red Sea ports, marking a significant milestone in our Transit offering. This service was developed over the past three months as a response to disruptions in the Red Sea region, offering a strategic alternative for connecting Asia and Europe through Egypt while avoiding the longer route.



This service has already helped double our Transit Services revenues, creating new foreign currency revenue streams and mitigating the impact of challenges in other areas of the business. Given the current geopolitical climate, we are exploring opportunities to expand this service further, positioning it as a business enabler for our customers and agents.

## EDS

### Strategic Investments Drive Turnaround in EDS Operations

After three challenging quarters marked by a decline in financial performance, EDS has successfully completed strategic improvements aimed at strengthening its future growth. This includes obtaining a license for operating a bonded warehouse, which has opened opportunities for storage business, alongside facility upgrades and maintenance. These enhancements were finalized in early May, allowing EDS to commence operations in its improved facility.

The impact of these initiatives is already evident, with the resumption of operations reflecting positively on our performance this quarter. These strategic investments have not only enhanced our service offerings but also positioned EDS for long-term sustainability and expanded market opportunities in the coming period.





## ETAL

### Closing the Amunet Project

This quarter, Egytrans is proud to finalize the logistics operations for Egypt's largest wind farm, the 500MW Amunet Wind Project near Ras Ghareb. Over the past year, the company successfully managed the transportation of 77 wind turbine generators, including Africa's longest blades at 84.5 meters, demonstrating continued operational excellence. From receiving shipments at Adabiya Port to delivering components safely to the site, our expert team leveraged specialized equipment and engineering studies to overcome logistical challenges.

While the completion of this flagship project highlights ETAL's capabilities in large-scale infrastructure, we recognize the cyclical nature of the business. This quarter, alongside the closing of the Amunet project, we continue to submit tenders for new opportunities and execute smaller-scale projects, reflecting our commitment to sustaining operational efficiency and adapting to market demands.



## Egytrans Issues First Carbon Footprint Report, Achieving Key Sustainability Milestone

This year, Egytrans calculated its emissions and issued a comprehensive carbon footprint report for the second time, marking a significant milestone in our sustainability journey. This year's report incorporated EDS, reflecting our intention to gradually cover all of our subsidiary companies in the report. Our emissions intensity for Scope 1 and 2 stands at 3.6 mtCO<sub>2</sub>e per million EGP revenue, reflecting a solid benchmark for ongoing improvement. While Scope 1 emissions increased due to fleet expansion and operational requirements, and Scope 2 emissions rose from enhanced data collection and accounting practices, we achieved a notable 27% reduction in Scope 3 emissions, driven by optimized logistics and reduced reliance on rented trucks. An overall reduction across all three scopes of 6.25% demonstrates our commitment to operational efficiency and environmental responsibility. We remain dedicated to ongoing monitoring and improvement, aligning with our targets to ensure long-term sustainable growth.

# Egytrans Separate

## Egytrans Core Business Delivers Solid Financial Performance

Egytrans achieved a robust financial performance in the first nine months of 2024 despite challenging market conditions. Revenue significantly increased year-over-year (YoY), reaching EGP 553.0 million, reflecting the company's success in capitalizing on market opportunities. Gross profit also saw a substantial increase, reaching EGP 204.9 million. This growth in profitability is further underscored by a significant rise in EBIT (earnings before interest and taxes) to EGP 119.0 million compared to EGP 5.5 million in 9M 2023. Net profit after taxes also demonstrated strong growth, increasing nearly fourfold YoY to EGP 191.5 million. These financial results highlight Egytrans' effectiveness in navigating a challenging market environment and its commitment to operational excellence

### Sector Performance:

**Ocean Freight Forwarding:** Revenues surged by 215% driven by a 125% rise in TEUs shipped.

**Air Freight Forwarding:** Grew by 229% driven by higher demand on Air Freight following disruptions in the Red Sea.

**Land Transport:** Almost tripled in revenue, showcasing market share growth and new service offerings targeted at shipping lines.

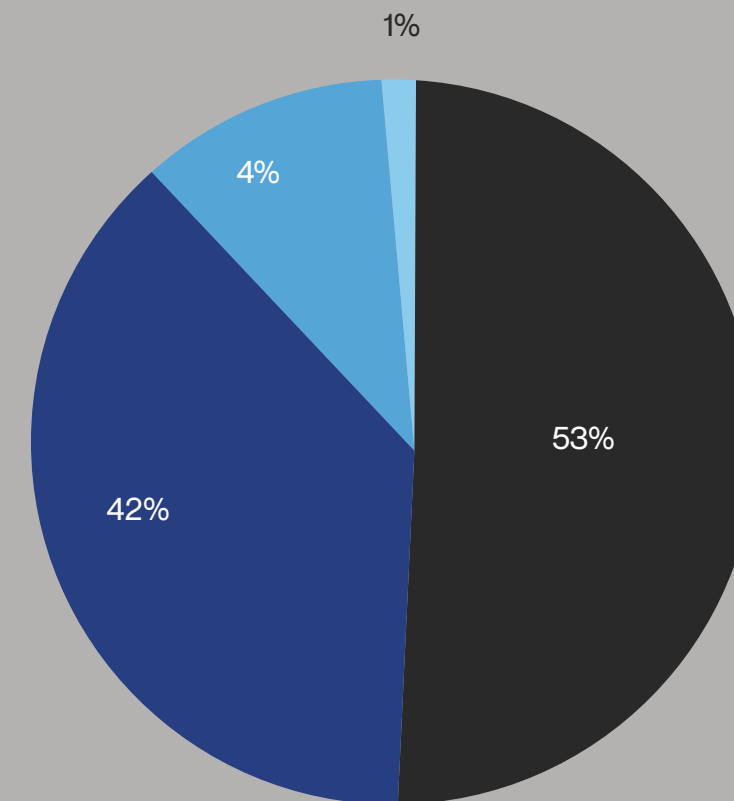
**Customs Clearance:** Fell by 4%, following slower import activity.



## Revenue Breakdown & GPM per Activity

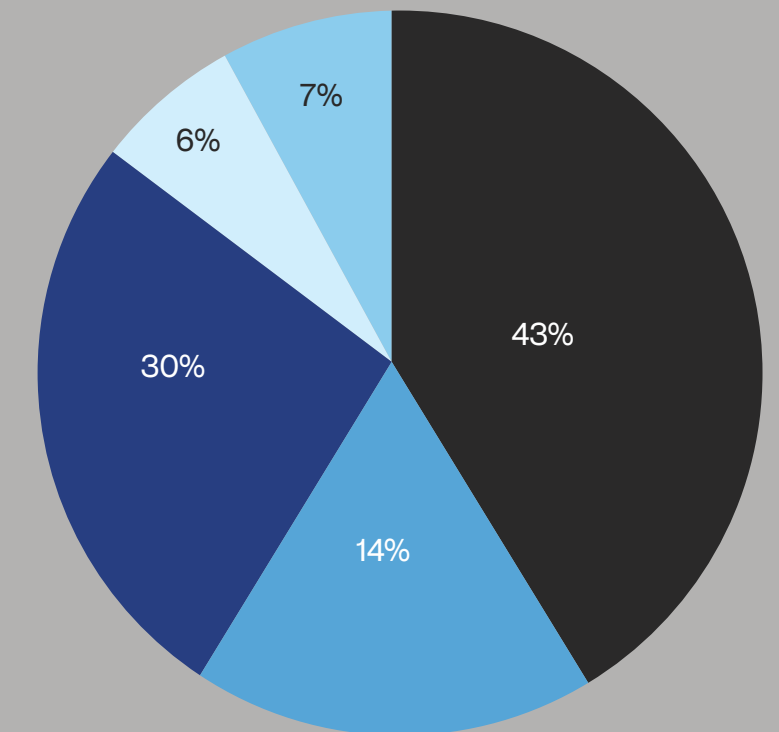
Description	9M-2024	9M-2023	Growth
Revenues - Logistics	293,093,465	107,294,562	173%
COGS - Logistics	(227,854,899)	(66,973,454)	
Contribution Margin - Branches	65,238,566	40,321,108	
Contribution Margin %	22.26%	37.58%	
Revenues - Projects	231,788,354	27,917,281	730%
COGS - Projects	(83,056,932)	(19,534,095)	
Contribution Margin - Projects	148,731,422	8,383,186	
Contribution Margin %	64.17%	30.03%	
Revenues - Free Zone	21,191,215	115,727,358	-82%
COGS - Free Zone	(9,294,171)	(81,266,489)	
Contribution Margin - Free Zone	11,897,044	34,460,869	
Contribution Margin %	56.14%	29.78%	
Revenues - Fleet Rent	6,966,000		
COGS - Fleet Rent	(1,676,354)		
Contribution Margin - Fleet rent	5,289,646		
Contribution Margin %	75.94%		
<b>Total Revenues</b>	<b>553,039,034</b>	<b>250,939,201</b>	<b>120%</b>

## Revenue Breakdown



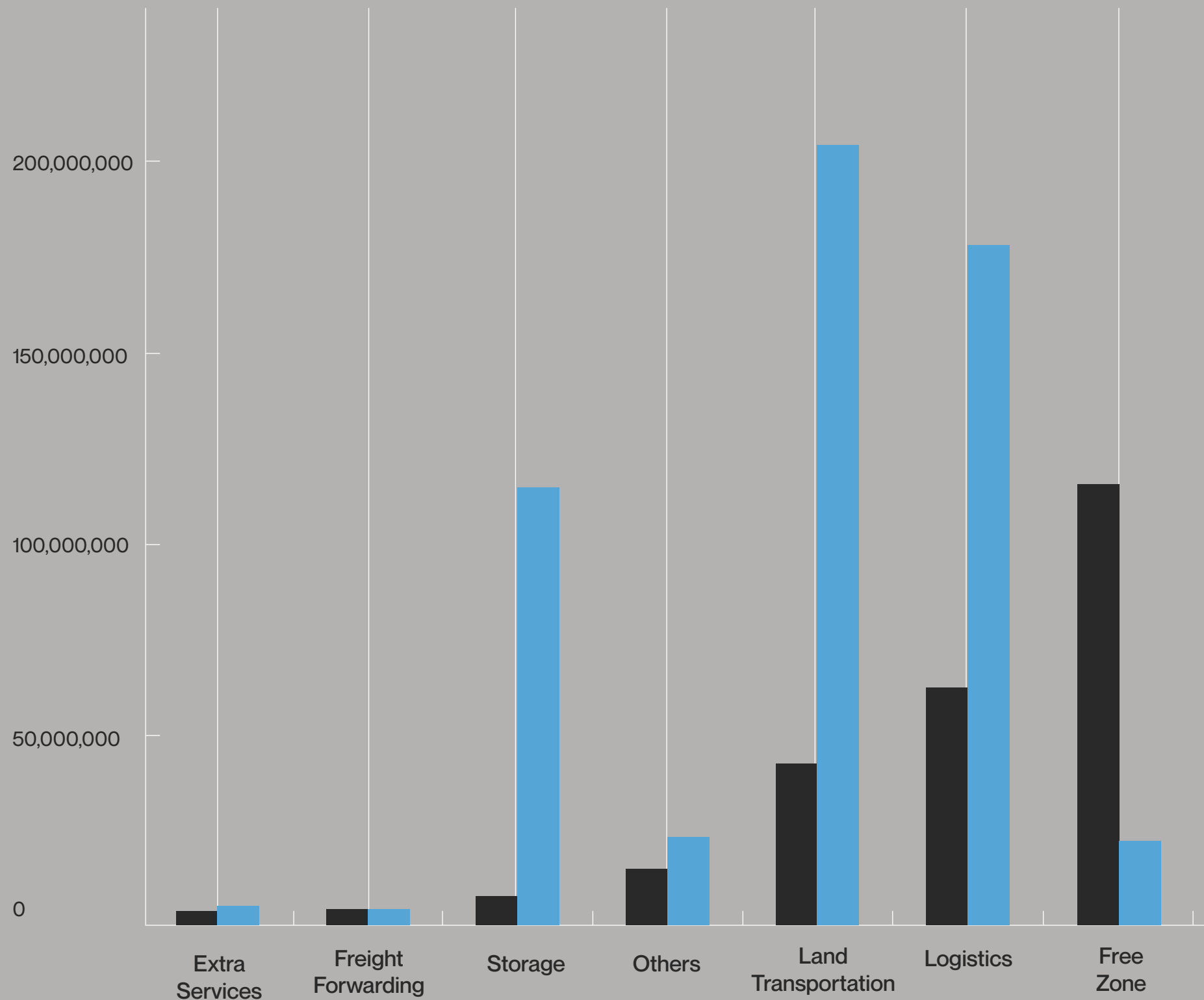
● Logistics ● Projects ● Free Zone ● Others

## Logistics Revenue Breakdown



● Ocean Freight ● Air Freight ● Land Transport ● Custom Clearance ● Others

9M23 9M24



## ETAL Demonstrates Resilience in Cyclical Market (9M 2024)

ETAL navigated challenging market conditions in 9M2024, marked by a decline in infrastructure projects and foreign exchange limitations. Despite these hurdles, the company achieved positive results, with revenue increasing 125% to reach EGP 29.3 million compared to EGP 13.0 million in 9M 2023.

It's important to acknowledge that the heavy haul project market is cyclical, often tied to infrastructure spending and overall economic



growth. While these broader conditions present challenges, ETAL's performance demonstrates its ability to adapt. Financially, ETAL saw a significant increase in gross profit to EGP 9.8 million. This growth translated to a turnaround in EBIT and Net profit reaching EGP 6.5 million and EGP 5.4 million respectively compared to a net operating loss in 9M 2023.

A key driver of this performance was ETAL's established reputation in wind farm transportation. Securing the Amunet Project in cooperation with Egytrans not only underscores its ability to deliver on market opportunities but also positions the company for future growth. This strategic project, completed in September 2024, has positioned ETAL to capitalize on its expertise in wind farm logistics, a field which continues to show considerable potential in light of the Egyptian government's commitment to growing the share of renewables in its energy mix.

## EDS

### EDS Post Strategic Transition in Q1 2024

EDS navigated a challenging market environment in 9M 2024, characterized by a slowdown in ISO tank traffic. This slowdown, along with a temporary reduction in operational capacity to facilitate depot improvements initiated in Q3 2023 and completed in May 2024, led to a decline in revenues. However, during 3Q 2024, with the resumption of operations and the added service of bonded storage, the company was successful in raising its revenues 120% to reach USD 225 thousand, compared to USD 102 thousand in 3Q 2023. In 9M 2024, EDS's revenues inched up by 1.1% to reach USD 590.4 thousand.

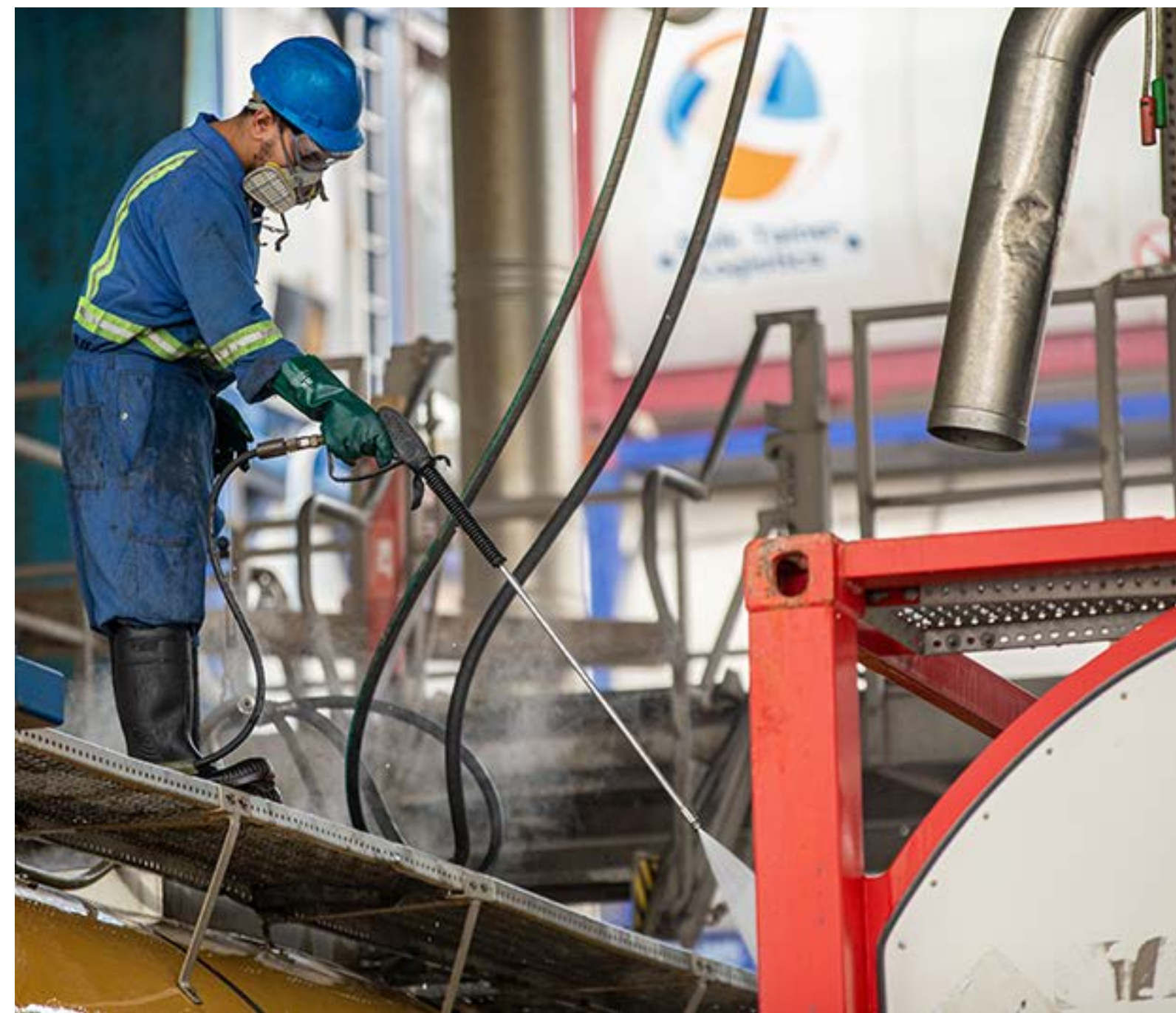
## Gross profit

declined to USD 288.4k, a reduction of **21% Y-o-Y from USD 365.5k in 9M23.** EBIT declined to reach USD 110.6k compared to profit of USD 148.0k in 9M23.

Furthermore, the net profit after taxes increased by 100% Y-o-Y to USD 273.9k in 9M24 from USD 136.4k in 9M23. The bottom line was bolstered due to increased forex gains of USD 165.1k compared to USD 41.1k in 9M23.

## Looking Ahead:

The temporary decline in EDS's financial performance reflects a strategic investment in its future. The depot improvements significantly enhanced our service offerings and position EDS for long-term growth in the coming period.



## Outlook and Challenges

As we enter the 4th Quarter of 2024, Egytrans acknowledges the persistent complexities facing the logistics and transportation sector in the Egyptian market. We anticipate ongoing challenges like slow economic activity, inflation and high interest rates. Additionally, global economic disruptions, amplified by events including the Red Sea crisis, necessitate continuous vigilance and strategic adjustments in our operations.

Despite these persistent hurdles, there have been positive developments on the national front in the form of FDI and international loan and cooperation agreements. While acknowledging the initial positive impact of foreign currency investments and loans, Egytrans recognizes the need for a long-term solution. We are strategically positioned to benefit from any sustainable improvements in the Egyptian economy and remain optimistic. In particular, the NOSCO acquisition is poised to significantly strengthen our trucking and project logistics service offerings. This empowers us to seize new opportunities and elevate our service portfolio. Furthermore, our strategic joint venture with Links Investments in KSA is anticipated to unlock immense potential and propel growth in this crucial market.

Egytrans is steadfast in its commitment to providing best-in-class transport and logistics solutions, even as we navigate these challenging times. Our strategic framework, anchored by the three pillars of Grow, Deliver, and Simplify, guides us in achieving this goal. This approach is designed to ensure sustainable and profitable growth for our valued stakeholders. As the logistics and transport sector in Egypt maintains its bright outlook and



immense potential, Egytrans is well-positioned to leverage its expanding role, driven by economic growth and business transformation across the landscape.

The approach for 2024 and beyond involves a judicious mix of prudent risk management and bold strategic initiatives. We will strive to balance the imperatives of business continuity with the need to plan for future growth. Through a combination of streamlining our operations and injecting new investments focused on generating growth and synergies within our group structure, we aim to unlock new potential and sustain profitable outcomes.

# Egytrans Separate Income Statement

## Separate Income Statement (In EGP)

Item (In EGP)	Interims			Period				
	3Q23	2Q24	3Q24	QoQ	YoY	9M23	9M24	YoY
Revenues	90,615,020	188,170,595	183,576,866	-2%	103%	250,939,201	553,039,035	120%
Costs	(68,654,842)	(133,151,884)	(104,919,466)	-21%	53%	(191,972,601)	(348,134,100)	81%
<b>Gross Profit</b>	<b>21,960,178</b>	<b>55,018,711</b>	<b>78,657,400</b>	<b>43%</b>	<b>258%</b>	<b>58,966,600</b>	<b>204,904,935</b>	<b>247%</b>
SG&A	(15,718,790)	(21,193,217)	(28,383,308)	34%	81%	(52,219,898)	(73,781,677)	41%
Other Expense	(2,311,945)	(5,774,709)	(7,382,628)	28%	219%	(5,182,238)	(15,885,342)	207%
Other Income	1,252,398	1,145,397	1,567,556	37%	n/a	3,938,807	3,745,892	-5%
<b>EBIT (Net Operating Profit)</b>	<b>5,181,841</b>	<b>29,196,182</b>	<b>44,459,020</b>	<b>52%</b>	<b>758%</b>	<b>5,503,271</b>	<b>118,983,808</b>	<b>2062%</b>
Investment Income	0	0	0			17,913,454	25,606,085	43%
Investment in Securities	0	0	0			-	24,016,900	n/a
Net Interest Income	(438,572)	65,791	480,460	630%	n/a	(1,824,834)	820,122	n/a
FX Gain/Loss	(34,896)	3,868,984	3,746,247	-3%	n/a	23,799,877	77,032,914	224%
<b>Net Profit Before Taxes</b>	<b>4,708,373</b>	<b>33,130,957</b>	<b>48,685,728</b>	<b>47%</b>	<b>934%</b>	<b>45,391,768</b>	<b>246,459,829</b>	<b>443%</b>
Taxes	(960,218)	(7,651,066)	(15,673,162)	n/a	n/a	(2,815,293)	(54,918,904)	1851%
<b>Net Profit After Taxes</b>	<b>3,748,155</b>	<b>25,479,891</b>	<b>33,012,566</b>	<b>30%</b>	<b>781%</b>	<b>42,576,475</b>	<b>191,540,925</b>	<b>350%</b>

# Egytrans Selected Balance Sheet Items

## Separate Balance Sheet (In EGP)

Item (In EGP)	Period		Growth
	9M24	2023	
Net Fixed Assets	84,999,559	66,960,318	26.9%
Accounts Receivable	210,711,253	97,555,104	116.0%
Other Debtors	96,729,133	26,226,019	213.9%
Projects Under Construction	7,462,348	26,755,885	-72.1%
Cash	169,459,249	61,141,979	177.2%
<b>Total Assets</b>	<b>764,487,804</b>	<b>433,438,121</b>	<b>76.4%</b>
Accounts Payable	93,857,490	41,161,809	128.0%
Other Creditors	92,926,627	49,086,194	89.3%
CPLTD	1,198,383	994,214	20.5%
LTD	4,431,001	5,360,820	-17.3%
<b>Total Liabilities</b>	<b>294,071,514</b>	<b>149,314,821</b>	<b>96.9%</b>
<b>Total Shareholders' Equity</b>	<b>470,416,290</b>	<b>284,123,300</b>	<b>65.6%</b>





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