



Egytrans Board approves NOSCO acquisition deal

Cairo, Egypt – 18th April 2023: Egytrans, a leading provider of logistics and transportation solutions, announced that the board of directors, during its meeting, voted unanimously to approve a deal to acquire 99.9% of the share capital of National Transport and Overseas Services Company (NOSCO), a leading company in land transport and specialized transport for mega-projects.

“The Board of Directors of Egytrans approved the acquisition deal and unanimously decided to proceed with the required legal steps starting with holding the Extraordinary General Assembly meeting of the company’s shareholders on May 14th to discuss the terms of the deal and obtain final approval on the deal implementation mechanism,” stated **Mohamed Gamal Moharam, Chairman of Egytrans**. “We believe this transaction will be completed smoothly as all parties believe in the potential of this deal and its benefit for the ambitious growth and expansion strategies of both companies, creating sustainable value for our shareholders and increasing long-term profitability,” added **Moharam**.

Moharam added that upon the approval of Egytrans shareholders, the deal will be executed through exchanging one share of Egytrans’ capital for 0.0447 shares of NOSCO capital, while increasing Egytrans’ capital to around 224.9 million pounds, noting that the Board of Directors approved the acquisition at the fair value per share in accordance with an independent valuation by Archer Financial Advisors of EGP 58.033 EGP per share for NOSCO, and EGP 2.594 per share for Egytrans.

“We are in the process of completing a landmark deal that serves Egytrans’ expansion and growth strategy, through integration of the expertise and capabilities of the two companies, especially in the field of project logistics and land transport,” said **Abir Leheta, CEO of Egytrans**. “Through this step, we aim to maintain the leadership position of both companies within the transport and logistics sector and build on it, all while strengthening the executive and operational capabilities of the group. We strive to leverage NOSCO’s capabilities, especially its extensive fleet and technical experience to achieve maximum operational growth and target larger logistics opportunities and projects, in addition to expanding geographically and operationally across local, regional and global markets,” added **Leheta**.

Leheta further highlighted the importance for NOSCO of entering into the Egytrans group of companies, which is listed and traded on the Egyptian Stock Exchange and enjoys wide geographical presence in the Egyptian market, in addition to a diverse service mix within an industry set to grow considerably within the coming decade, driven by the increasing demand on logistics and transport.

On the evident operational synergies resulting from the integration of the two businesses, **Major General Mazen Nadim, Chairman of NOSCO** stated: “We are looking forward to the developments that such a deal will bring about, in addition to its role in accelerating the expansion and growth plans for both parties. We operate in a rapidly growing industry driven by economies of scale as well as increasing demand. Therefore, NOSCO's entry into this deal, as one of the largest land transport and specialized mega-project transport providers will support Egytrans in capitalizing on large-scale logistics opportunities.”



Mohamed Nadim, Managing Director of NOSCO, also commented: "We look forward to completing this strategic deal and beginning to merge our activities with Egytrans, one of the leading companies in project logistics and freight forwarding, benefiting from its diversified capabilities and the operational synergies between the two companies. NOSCO's extensive fleet and accumulated expertise will add to the overall strength of the group, especially in the field of heavy transport operations for mega projects. Since our aim is to make this a strong beginning on many levels, both teams are working together to formulate our joint business development plans in order to begin implementation as soon as the transitional period is completed."

Transaction Overview

- This transaction would see Egytrans acquiring 2,999,971 shares, representing 99.9% of NOSCO's share capital, noting that the execution of the transaction will be performed through a share swap of 67,112,933 shares of Egytrans capital by increasing Egytrans' issued capital at fair value of EGP 2.594 per share. The transaction allocates 67,112,933 shares to NOSCO shareholders.
- The transaction is conditional on the approval of the shareholders of Egytrans during an extraordinary general assembly meeting set to approve the fair value of each party's shares, in accordance with the independent valuation by Archer Financial Advisor (Archer Finance) and associated Auditor's reports. Additionally, the meeting is set to approve Egytrans' capital increase at fair value, as well as authorizing Egytrans' Board of Directors to amend articles 7 & 8 according to the subscription results.
- The board authorized Chief Executive Officer Abir Leheta in signing the share swap agreement, and Chairman Mohamed Gamal Moharam in calling for the Extraordinary General Assembly meeting including taking all necessary legal measures to determine the date and place and the meeting agenda following the approval of the Egyptian Stock Exchange to publish the disclosure report on its trading screens and proceed with the capital increase procedures.
- The board also authorized CEO Abir Leheta to take all necessary measures to implement any amendments to the disclosure report that may be required by the Stock Exchange (EGX) or the Financial Regulatory Authority (FRA). Leheta may also delegate authority to others to carry out the mentioned procedures and handle requests from EGX or FRA in submitting and receiving all documents related to the disclosure report.

Important Additional Information

The transaction is conditional on the approval of the shareholders of Egytrans and NOSCO. The transaction is also conditional on receipt of the relevant regulatory approvals and other customary closing conditions.

Further details on the impact of the acquisition will be communicated subject to the outcome of the above.

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About Egyptian Transport and Commercial Services Company (Egytrans):

The Egyptian Transport and Commercial Services Company (Egytrans) is a leading integrated transport and logistics company with a comprehensive portfolio of services in Egypt. With experience dating back to 1939, the company was established in 1973 under the name Egytrans. It has since developed a number of subsidiary and affiliate brands consisting of Egytrans Depot Solutions (EDS), Egyptian Transportation & Logistics S.A.E. (ETAL), Wilhelmsen Ports Service Egypt and Scan Arabia. Working across 9 branches in Egypt, the mission of Egytrans is to make integrated transport easy, safe, timely and cost-effective. Egytrans enables and facilitates global and national supply chains through its extensive range of services including Sea Freight, Air Freight, Land Transport, Customs Clearance, Project Logistics, Exhibitions, and Storage. The Egytrans group employs around 350 employees across its operations in Egypt and is publicly traded on the Egyptian Stock Exchange (EGX) as [ETRS.CA] for Reuters and [ETRS EY Equity] for Bloomberg. For more information please visit: <http://ir.egytrans.com/>

About NOSCO:

The National Transport and Overseas Services Co. (NOSCO) is a leading transport and logistics provider, with a fleet of more than 130 trucks, significant storage capabilities and a large fleet specializing in heavy lifts and oversized cargo. NOSCO was established in 1976 to provide world-class heavy transport services to the Egyptian market, transporting some of the biggest projects in petrochemicals, power and energy, roads and railways, and antiquities. These projects include Borollos Power Station, Midor Refinery, Mostorod Refinery, Zohr Natural Gas Field and the Monorail project, in addition to transporting the statue of Ramses II from Downtown Cairo to Giza in 2008 and again from Giza to the Grand Egyptian Museum in 2018. NOSCO's services are not limited to transportation, as they extend from port handling and route planning in the early stages of the project to providing engineering solutions to removing road obstacles, reinforcing bridges and providing stevedoring services for heavy lift cargos. For more information, please visit: www.noscoegypt.com

Forward Looking Statements:

Statements contained in this document that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of Egytrans. Such statements involve known and unknown risks, uncertainties and other factors; undue reliance should not be placed thereon. Certain information contained herein constitutes "targets" or "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "seek," "should," "expect," "anticipate," "project," "estimate," "intend," "continue" or "believe" or the negatives thereof or other variations thereon or comparable terminology. Actual events or results or the actual performance of Egytrans may differ materially from those reflected or contemplated in such targets or forward-looking statements. The performance of Egytrans is subject to risks and uncertainties. Various factors could cause actual results to differ materially from those expressed or implied by the forward-looking statements in this document including worldwide economic trends, the economic and political climate of Egypt, the Middle East and changes in business strategy and various other factors.