



EGxtrans

9M23

EARNINGS RELEASE

EGYTRANS [ETRS.CA; ETRS EY EQUITY] DISPLAYS RESILIENCE AMIDST CHALLENGES: DEMONSTRATING STRATEGIC ADAPTATION AND FISCAL PRUDENCE WITH EGP 276M REVENUE, ACHIEVING IMPRESSIVE GROSS PROFIT OF EGP 69M.

KEY HIGHLIGHTS CONSOLIDATED 9M23

- **Revenues** at EGP 276.2 million registering a decline of 5.6% Y-o-Y
- **Costs** decreased by 10% Y-o-Y to EGP 206.9 million
- **SG&A** increased by 32.9% Y-o-Y to EGP 57.9 million
- **EBIT** decreased by 38.9% Y-o-Y to EGP 11.4 million
- **Investment Income** increased by 43% to EGP 11 million
- **Net Interest Income** improved by 60.5% Y-o-Y to EGP -1.8 million vs. EGP -4.6 million
- **FX Gain** rose 70% Y-o-Y to reach EGP 24.4 million
- **Taxes** decreased by 12% Y-o-Y to reach EGP 3.2 million
- **Net Profits** reached EGP 37.7 million up by 22.2%

**EGYTRANS
CONSOLIDATED**

CONSOLIDATED FINANCIALS REVIEW

Against the backdrop of prevailing geopolitical disturbances and a severe FX crunch, Egytrans' 9M23 consolidated earnings illustrate a landscape of resilience and strategic adaptation. Despite a notable 5.6% decline in revenues to EGP 276.15 million, Egytrans exhibited commendable cost control, reducing costs by 10.1% to EGP 206.9 million, demonstrating a steadfast commitment to fiscal prudence amidst challenging conditions. This prudent financial approach resulted in an improved Costs/Revenues Ratio, notably decreasing from 78.7% in 9M22 to 74.9% in 9M23, marking a substantial 380.7 basis point enhancement.

Significantly, despite reduced revenues, the Gross Profit reached an impressive EGP 69 million, showcasing the efficacy of strategic business decisions in optimizing operations amidst adverse effects. Furthermore, this accomplishment translated to a remarkable Gross Profit Margin rise from 21.3% to 25.1%, signaling a growth of 380.7 basis points, a testament to Egytrans' operational resilience.

Amidst the challenges, although SG&A expenses surged significantly by 32.9% to EGP 57.86 million, impacting the EBIT, which dropped by 38.9% to EGP 11.39 million, notable improvements emerged in specific areas. Particularly, the company showcased significant progress in Accounts Receivable by streamlining the duration of collecting official receipts and enhancing the collection process. This resulted in a remarkable 29.6% reduction to EGP 60.04 million, signifying effective management in this segment despite the challenging business environment.

In conclusion, Egytrans' ability to achieve a considerable Gross Profit amidst reduced revenues, coupled with improvements in managing Accounts Receivable, showcases its adaptability and strength. These results underscore the company's resilience amidst adversities, setting a promising trajectory and highlighting its ability to navigate through the complexities of the current business landscape.

EGYTRANS CONSOLIDATED

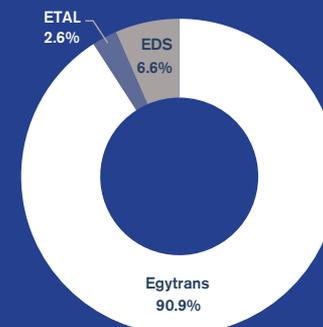
OPERATIONAL REVIEW

Throughout the third quarter, Egytrans navigated a challenging T&L market influenced by a slowdown in trade due to economic pressures, significantly impacting general market demand for services. Despite these industry challenges, Egytrans exhibited resilience through its diversified business model, adept management, operational scale, and service excellence. The softened market dynamics indicated stabilized freight rates post a period of heightened numbers, with forecasts suggesting further declines in volumes. Furthermore, the logistics industry's post-crisis shift towards resilience and efficiency aligns with Egytrans' emphasis on operational flexibility and efficiency.

Egytrans exhibited commendable performance across specific operational segments, showcasing resilience and success amidst challenging market dynamics. In the last quarter, Egytrans faced a challenging market environment, witnessing an 8.1% decline in revenues. However, within its operational segments, there were varying performances. Freight Forwarding experienced a significant revenue drop of 77.1% but notably improved its Gross Profit Margin to 53.1%. Despite revenue declines of 27.1% and 28.7% in Logistics and Land Transportation respectively, both segments enhanced their GPM. The Free Zone and Others segments showcased remarkable growth, with revenue surges of 37.8% and 185.0% respectively, and substantial GPM increases. Meanwhile, despite the overall revenue dip, Egytrans

demonstrated resilience through a 15.7% increase in gross profit and a notable rise in Gross Profit Margin from 18.7% to 23.5%. Despite challenges including increased SG&A expenses due to inflation, Egytrans managed a 9.6% growth in net profit after taxes. This financial performance underlines Egytrans' proactive approach in adapting to market constraints while striving for sustained profitability through strategic operational adjustments.

Throughout the quarter, ETAL demonstrated impressive operational efficiency in managing diverse transportation endeavors. The period witnessed numerous transportation projects for NOSCO, involving the movement of various packages and beams across key locations such as Gargoub Port, Administrative Capital, Alex Port, Assuit, Elnasr City, and Gasco El Nahda. These initiatives utilized a wide range of trailers, including hydraulic, Superflex, Faymonville, and others, highlighting the company's adaptability to handle multifaceted logistics requirements efficiently. Additionally, ETAL's participation in ongoing petrochemical contracts with PALUMBO and PETROBEL signifies strategic alliances contributing to its operational portfolio and expansion initiatives. Overall, ETAL's performance in handling various transportation operations demonstrates its operational prowess and adaptability to cater to evolving market needs and industry partnerships.

Consolidated
revenues by affiliate

CONSOLIDATED FINANCIALS REVIEW

Selected B/S Figures in EGP

Item	2022	9M23	Growth
Net Fixed Assets	152,682,332	152,034,674	-0.4%
Accounts Receivable	85,263,522	60,043,985	-29.6%
Other Debtors	49,584,503	60,846,961	22.7%
Cash	87,440,369	80,519,613	-7.9%
Total Assets	494,529,820	516,300,348	4.4%
Accounts Payable	37,941,509	31,928,647	-15.8%
Other Creditors	41,281,833	53,864,236	30.5%
Provisions	22,284,800	13,898,034	-37.6%
LTD - Leasing	44,958,118	29,812,007	-33.7%
Long-term Accounts Payable	16,663,727	18,767,827	12.6%
Total Liabilities	180,626,168	168,040,041	-7.0%
Total Shareholders' Equity	313,903,652	348,260,307	10.9%

Item	9M22	9M23	Change YoY
Revenues	292,411,942	276,150,709	-5.6%
Costs	(230,216,433)	(206,899,846)	-10.1%
Gross Profit	62,195,509	69,250,863	11.3%
SG&A	(43,548,582)	(57,859,284)	32.9%
EBIT (Net Operating Profit)	18,646,927	11,391,579	-38.9%
Investment Income	7,674,648	10,977,722	43.0%
Net Interest Income	(4,602,764)	(1,816,652)	-60.5%
Other Expense	(2,347,872)	(5,265,473)	124.3%
Provisions	0	0	0.0%
FX Gain/Loss	14,315,598	24,365,685	70.2%
Other Income	742,302	1,195,646	61.1%
Net Profit Before Taxes	34,428,839	40,848,507	18.6%
Taxes	(3,624,012)	(3,191,594)	-11.9%
Net Profit After Taxes	30,804,827	37,656,913	22.2%
Minority Interest	(823)	(1,098)	33.4%
Net Profit After Taxes & Minority Interest	30,804,004	37,655,815	22.2%
EPS	0.20	0.24	22.2%

I/S Figures In EGP

EGYTRANS
SEPARATE

In the 9M 2023 financial performance, Egytrans experienced an 8.1% decrease in revenues, reaching EGP 250.9 million compared to EGP 273.2 million in the same period in 9M22. Despite this decline, the company executed effective cost control measures, resulting in a 13.6% reduction in costs from EGP 222.2 million to EGP 192.0 million, ultimately culminating in a notable 15.7% increase in gross profit, reaching EGP 59.0 million from EGP 51.0 million. However, the company faced a substantial surge of 33.8% in Selling, General, and Administrative (SG&A) expenses, largely influenced by the impact of inflation, which notably affected the EBIT, demonstrating a considerable 43.5% decline to EGP 6.7 million compared to EGP 11.9 million in 9M22. Despite these challenges, the net profit after taxes showed a noteworthy increase of 9.6%, rising to EGP 42.6 million from EGP 38.8 million. The margins and ratios exhibited significant shifts, with the Costs/Revenues Ratio decreasing from 81.3% to 76.5%, and the Gross Profit Margin increasing from 18.7% to 23.5%, demonstrating strategic cost management and operational efficiencies.

The higher SG&A expenses were primarily influenced by the impact of inflation on operational costs, posing a challenge for Egytrans in managing its overall expenditure. However, the company implemented effective cost control measures in other areas, resulting in a 13.6% reduction in overall costs, particularly in areas directly impacting the cost of goods sold, leading to a notable improvement in the Gross Profit Margin. This enhancement underscores the company's efforts to streamline operational expenses and optimize its cost structures. Despite the decline in revenues, these strategic adjustments contributed to increased profitability through enhanced gross profit margins, showcasing Egytrans' adaptability in navigating challenging market conditions while prioritizing operational efficiency and sustained profitability.

SEPARATE FINANCIAL STATEMENTS

Selected B/S Figures in EGP

Item	2022	9M23	Growth
Net Fixed Assets	64,255,852	61,130,130	-4.9%
Accounts Receivable	78,227,736	52,659,947	-32.7%
Other Debtors	40,206,146	458,872,770	1041.3%
Cash	59,872,689	68,511,921	14.4%
Investments	19,672,111	24,572,284	24.9%
Due from Related Parties	23,138,632	36,663,806	58.5%
Total Assets	392,745,425	401,641,010	2.3%
Accounts Payable	32,795,951	31,560,892	-3.8%
Other Creditors	38,774,342	49,587,070	27.9%
Provisions	14,117,802	11,897,897	-15.7%
LTD - Leasing	44,796,521	29,769,379	-33.5%
Due to Related Parties	4,049,843	378,750	-90.6%
Total Liabilities	146,307,526	137,230,934	-6.2%
Total Shareholders' Equity	246,437,899	264,410,076	7.3%

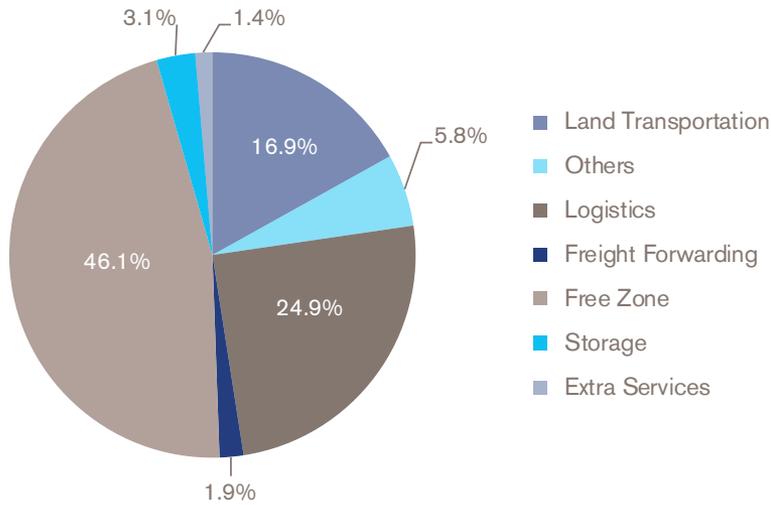
Item	9M22	9M23	Change YoY
Revenues	273,172,317	250,939,201	-8.1%
Costs	(222,213,518)	(191,972,601)	-13.6%
Gross Profit	50,958,799	58,966,600	15.7%
SG&A	(39,024,258)	(52,219,898)	33.8%
EBIT (Net Operating Profit)	11,934,541	6,746,702	-43.5%
Investment Income	18,898,026	17,913,454	-5.2%
Net Interest Income	(3,627,850)	(1,824,834)	-49.7%
Other Expenses	(1,758,851)	(5,182,238)	194.6%
Provisions	0	0	0.0%
FX Gain/Loss	11,463,674	23,799,877	107.6%
Other Income	5,157,660	3,938,807	-23.6%
Net Profit Before Taxes	42,067,200	45,391,768	7.9%
Taxes	(3,223,911)	(2,815,293)	-12.7%
Net Profit After Taxes	38,843,289	42,576,475	9.6%
EPS	0.20	0.22	9.6%

I/S Figures In EGP

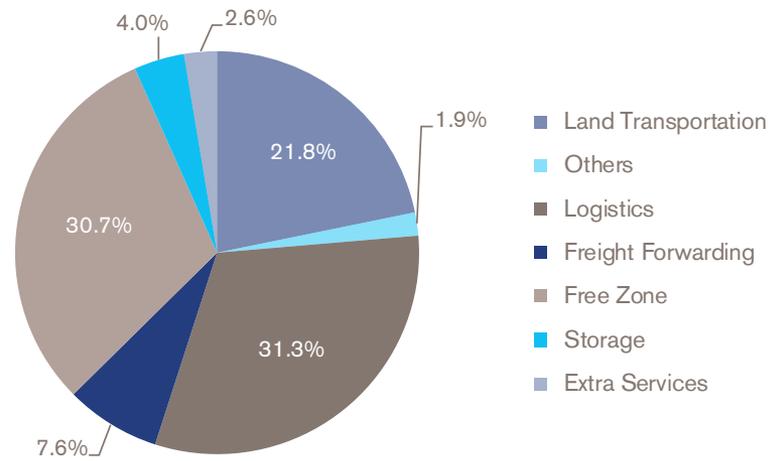
I/S Comparison

Item (In EGP)	3Q22	2Q23	3Q23	QoQ	YoY	9M22	9M23	YoY
Revenues	100,021,488	82,963,224	90,615,020	9.2%	-9.4%	273,172,317	250,939,201	-8.1%
Costs	(80,276,084)	(61,326,858)	(68,654,842)	11.9%	-14.5%	(222,213,518)	(191,972,601)	-13.6%
Gross Profit	19,745,404	21,636,366	21,960,178	1.5%	11.2%	50,958,799	58,966,600	15.7%
SG&A	(13,068,819)	(20,118,457)	(15,718,790)	-21.9%	20.3%	(39,024,258)	(52,219,898)	33.8%
EBIT	6,676,585	1,517,909	6,241,388	311.2%	-6.5%	11,934,541	6,746,702	-43.5%
Investment Income	0	13,514,506	0	0.0%	0.0%	18,898,026	17,913,454	-5.2%
Net Interest Income	(1,643,531)	(557,341)	(438,572)	-21.3%	-73.3%	(3,627,850)	(1,824,834)	-49.7%
Other Expenses	(284,829)	(2,611,252)	(2,311,945)	-11.5%	711.7%	(1,758,851)	(5,182,238)	194.6%
Provisions	0	0	0	0.0%	0.0%	0	0	0.0%
FX Gain/Loss	3,145,131	12,939	(34,896)	n/a	n/a	11,463,674	23,799,877	107.6%
Other Income	1,440,024	1,242,968	1,252,398	0.8%	-13.0%	5,157,660	3,938,807	-23.6%
Net Profit Before Taxes	9,333,380	13,119,729	4,708,373	-64.1%	-49.6%	42,067,200	45,391,768	7.9%
Taxes	(99,840)	2,031,243	(960,218)	n/a	861.8%	(3,223,911)	(2,815,293)	-12.7%
Net Profit After Taxes	9,233,540	15,150,972	3,748,155	-75.3%	-59.4%	38,843,289	42,576,475	9.6%

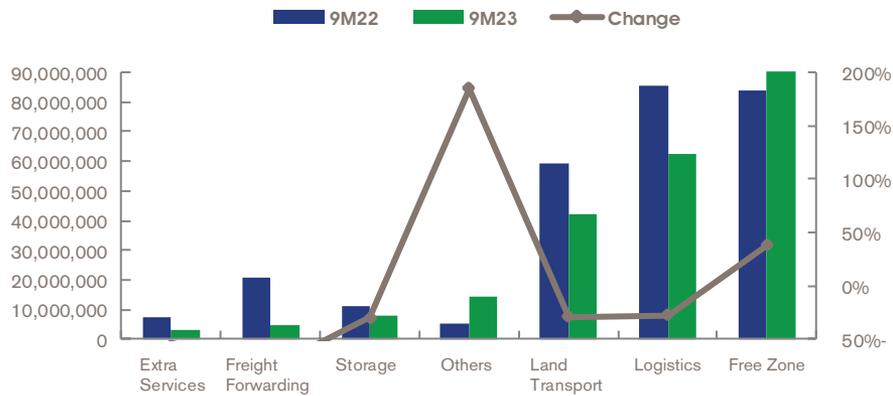
REVENUES BY LINE OF BUSINESS 9M23



REVENUES BY LINE OF BUSINESS 9M22



REVENUES CONTRIBUTION & GROWTH BY LINE OF BUSINESS



SHIFTING BEAMS IN
ADMINISTRATIVE CAPITAL
- JULY 2023



Shifting 2 beams in Administrative capital using a Faymonville trailer 4 axle.

ETAL continued its optimistic momentum in the project business, seeing promising signs for the latter part of 2023, buoyed by new tenders and the anticipated synergies from the forthcoming NOSCO acquisition. Despite prevailing market challenges, our 9M 2023 results highlighted our strategic resilience. Revenues surged impressively by 59% to EGP 13.8 million in our core operational areas, although costs rose by 55.6% to EGP 13.8 million. This period showcased effective cost management, evidenced by a substantial 59.2% decrease in SG&A to EGP 1.9 million, positively impacting our bottom line. Despite a 49.2% improvement in EBIT losses, reflecting strategic operational streamlining amidst market dynamics, our net interest income turned to positive EGP 207 thousand, demonstrating our focus on optimizing financial activities. Additionally, adept tax management led to a 44.7% reduction to EGP 98.4 thousand.

Moreover, our strategic focus on enhancing revenue collection strategies was evident in the notable 238.1% increase in accounts receivable. These strategic adjustments, coupled with a 10% decrease in total liabilities and a moderate 4.1% decline in total shareholders' equity, affirm our dedication to fortifying operational resilience and positioning ETAL's activities for sustained growth. Despite challenges, net losses after taxes decreased 53.4%, our proactive approach in managing hurdles while sustaining growth is evident. Looking ahead, ETAL remains committed to enhancing operational efficiencies, driving revenue growth, and upholding a robust financial standing in an ever-evolving market landscape.

Selected B/S Figures in EGP	2022				9M23			
	Item	2022	9M23	Change YoY	Item	9M22	9M23	Change YoY
	Net Fixed Assets	61,958,380	60,114,161	-3.0%	Revenues	8,178,190	13,004,319	59.0%
	Accounts Receivable	1,603,564	5,421,687	238.1%	Costs	(8,890,668)	(13,831,640)	55.6%
	Other Debtors	5,193,800	1,638,212	-68.5%	Gross Profit	(712,478)	(827,321)	16.1%
	Cash	629,313	283,740	-54.9%	SG&A	(4,639,296)	(1,890,774)	-59.2%
	Total Assets	86,238,092	81,350,639	-5.7%	EBIT (Net Operating Profit)	(5,351,774)	(2,718,095)	-49.2%
	Accounts Payable	4,955,911	217,827	-95.6%	Net Interest Income	(35,016)	207,542	n/a
	Due to Related Parties	0	7,844,757	n/m	FX Gain/Loss	0	0	0.0%
	Total Liabilities	23,275,753	20,955,757	-10.0%	Others	55,075	41,494	-24.7%
	Total Shareholders' Equity	62,962,339	60,394,882	-4.1%	Net Profit Before Taxes	(5,331,715)	(2,469,059)	-53.7%
					Taxes	(177,779)	(98,398)	-44.7%
					Net Profit After Taxes	(5,509,494)	(2,567,457)	-53.4%
					EPS	(0.09)	(0.04)	-53.4%

I/S Comparison	3Q22		2Q23		3Q23		9M22		9M23	
	Item (In EGP)	3Q22	2Q23	3Q23	QoQ	YoY	9M22	9M23	YoY	
	Revenues	3,594,696	3,575,222	3,219,475	-10.0%	-10.4%	8,178,190	13,004,319	59.0%	
	Costs	(4,080,299)	(3,964,221)	(4,271,467)	7.8%	4.7%	(8,890,668)	(13,831,640)	55.6%	
	Gross Profit	(485,603)	(388,999)	(1,051,992)	170.4%	116.6%	(712,478)	(827,321)	16.1%	
	SG&A	(1,546,407)	(747,391)	(475,537)	-36.4%	-69.2%	(4,639,296)	(1,890,774)	-59.2%	
	EBIT	(2,032,010)	(1,136,390)	(1,527,529)	34.4%	-24.8%	(5,351,774)	(2,718,095)	-49.2%	
	Net Interest Income	(11,825)	(6,528)	(6,719)	2.9%	-43.2%	(35,016)	207,542	n/a	
	Others	0	0	0	0.0%	0.0%	0	0	0.0%	
	FX Gain/Loss	16,834	(8,944)	66,539	n/a	295.3%	55,075	41,494	0.0%	
	Net Profit Before Taxes	(2,027,001)	(1,151,862)	(1,467,709)	27.4%	-27.6%	(5,331,715)	(2,469,059)	-53.7%	
	Taxes	(711)	(57,727)	(54,763)	-5.1%	7602.3%	(177,779)	(98,398)	-44.7%	
	Net Profit After Taxes	(2,027,712)	(1,209,589)	(1,522,472)	25.9%	-24.9%	(5,509,494)	(2,567,457)	-53.4%	

SHIFTING TANKS INSIDE
GASCO SITE AT DAHSHOUR
- AUGUST 2023



Shifting 6 Tanks(15*3.20*3.9) inside GASCO site at Dahshour using a Superflex trailer. (NOSCO)

EGYTRANS
DEPOT
SOLUTIONS - EDS

Despite maintaining its industry-leading position, our ISO Tank Depot solutions division encountered a significant downturn in 9M23 amid the global shipping capacity crisis. Revenues witnessed a substantial 35.7% YoY decline, reaching USD 0.584 million, while costs decreased by 9.1% YoY to USD 0.218 million, resulting in a notable 45.3% YoY decrease in gross profit, amounting to USD 0.365 million. Despite commendable efforts, our EBIT experienced a sharp 64.9% YoY decline to USD 0.148 million, alongside a positive shift in net interest income from a loss of USD 0.171 million to USD 0.042 million. Analyzing margins and ratios, the costs-to-revenues ratio surged by 1,095.9 bps YoY to 37.4%, while the gross profit margin decreased to 62.6%. The EBIT margin declined to 25.4%, while the net profit margin increased to 23.4%, and the SG&A-to-revenues ratio rose to 37.2%, indicating a 1,014.0 bps YoY increase.

Additionally, our cash reserves witnessed a significant 68.3% YoY decrease, resting at USD 0.330 million, offset by investing about USD 0.764 million in a USD investment fund with a noticeable return. This contributed to a moderate 2.1% YoY decline in total assets to USD 3 million, with a notable 5.3% YoY reduction in total liabilities, amounting to USD 0.794 million. These changes underline our proactive stance in managing assets and liabilities amid prevailing market constraints, demonstrating our adaptability and strategic response to challenging industry conditions.

Selected B/S Figures in USD

Item	2022	9M23	Change YoY
Net Fixed Assets	1,071,583	998,771	-6.8%
Accounts Receivable	219,928	63,654	-71.1%
Cash	1,040,615	330,362	-68.3%
Investments	0	764,421	#DIV/0!
Total Assets	3,156,879	3,090,238	-2.1%
Other Creditors	51,084	37,409	-26.8%
Accounts Payable	7,678	4,863	-36.7%
Current Income Tax Liabilities	66,166	65,865	-0.5%
Provisions	73,374	25,160	-65.7%
Due to Related Parties	195,240	225,291	15.4%
Total Liabilities	838,286	793,708	-5.3%
Total Shareholders' Equity	2,318,593	2,296,530	-1.0%

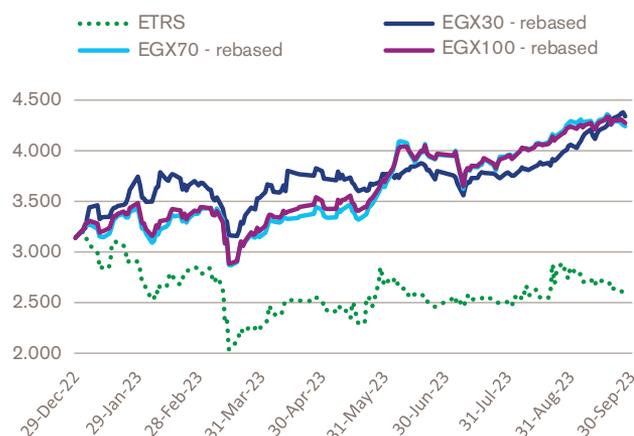
Item	9M22	9M23	Change YoY
Revenues	908,620	583,967	-35.7%
Costs	(240,362)	(218,474)	-9.1%
Gross Profit	668,258	365,493	-45.3%
SG&A	(245,960)	(217,290)	-11.7%
EBIT (Net Operating Profit)	422,298	148,203	-64.9%
Net Interest Income	(170,683)	42,032	-124.6%
Others	(25,459)	(207)	-99.2%
Net Profit Before Taxes	226,156	190,028	-16.0%
Taxes	(51,397)	(53,594)	4.3%
Net Profit After Taxes	174,759	136,434	-21.9%
EPS	0.79	0.61	-21.9%

I/S Figures In USD

I/S Comparison

Item (In USD)	3Q22	2Q23	3Q23	QoQ	YoY	9M22	9M23	YoY
Revenues	209,640	254,520	102,144	-59.9%	-51.3%	908,620	583,967	-35.7%
Costs	(78,586)	(71,640)	(60,156)	-16.0%	-23.5%	(240,362)	(218,474)	-9.1%
Gross Profit	131,054	182,880	41,988	-77.0%	-68.0%	668,258	365,493	-45.3%
SG&A	(87,161)	(73,313)	(68,817)	-6.1%	-21.0%	(245,960)	(217,290)	-11.7%
EBIT	43,893	109,567	(26,829)	n/a	n/a	422,298	148,203	-64.9%
Net Interest Income	(22,154)	14,570	10,941	n/a	n/a	(170,683)	42,032	-124.6%
Others	(525)	(696)	(307)	-55.9%	-41.5%	(25,459)	(207)	-99.2%
Net Profit Before Taxes	21,214	123,441	(16,195)	n/a	n/a	226,156	190,028	-16.0%
Taxes	337	(27,931)	3,575	n/a	960.8%	(51,397)	(53,594)	4.3%
Net Profit After Taxes	21,551	95,510	(12,620)	n/a	n/a	174,759	136,434	-21.9%

EGYTRANS SHARE PERFORMANCE 9M23



EGYTRANS SHARE TRADING DATA 9M23

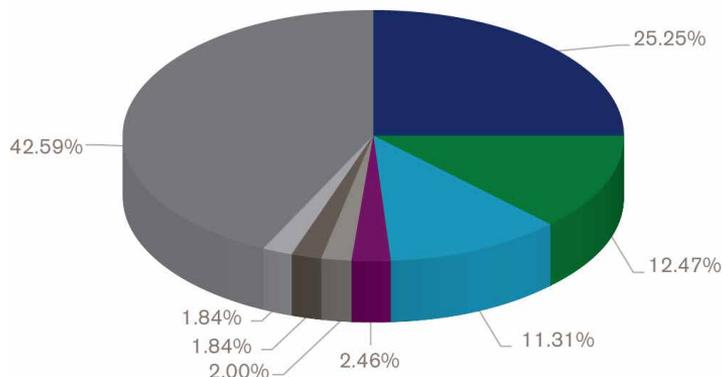


EGYTRANS SHARE DATA 9M23

Month	Volume	Turnover	Average	Month High	Month Low	% Change MoM	YTD %	Buy Volume	Sell Volume	Net	Mkt. Cap	% Change
Jan-23	91,359,661	276,777,306	2.71	3.23	2.70	-13.70%	-13.69%	36,773,976	54,585,685	Seller	422,929,375	-13.69%
Feb-23	54,630,697	150,440,844	2.80	2.93	2.47	3.32%	-10.83%	26,641,624	27,989,073	Seller	436,975,000	3.32%
Mar-23	53,714,504	131,436,981	2.25	2.93	1.78	-19.64%	-28.03%	24,341,235	29,373,269	Seller	352,701,250	-19.29%
Apr-23	30,830,451	76,365,061	2.52	2.61	2.24	12.00%	-19.75%	14,898,087	15,932,364	Seller	393,277,500	11.50%
May-23	90,751,313	233,035,130	2.67	2.89	2.22	5.95%	-14.97%	45,367,325	45,383,988	Seller	416,686,875	5.95%
Jun-23	21,568,754	57,160,660	2.47	2.81	2.42	-7.49%	-21.34%	8,863,527	12,705,227	Seller	385,474,375	-7.49%
Jul-23	19,388,505	51,161,712	2.50	2.67	2.44	1.21%	-20.38%	9,715,137	10,302,339	Seller	390,156,250	1.21%
Aug-23	71,555,869	195,821,864	2.85	2.97	2.10	14.00%	-9.24%	36,655,226	34,900,643	Buyer	444,778,125	14.00%
Sep-23	27,378,099	74,482,969	2.55	2.92	2.76	-10.53%	-18.79%	10,248,986	17,129,113	Seller	397,959,375	-10.53%
Total	461,177,853	1,246,682,527						213,505,123	248,301,701	Seller		

EGYTRANS SHAREHOLDERS' STRUCTURE 9M23

- National Investment Bank
- Leheta Family
- Gamal Abdel Kader & Related Parties
- Afri Trade
- Fine Tech for IT Solutions
- Trade Zone for Com. Inv.
- Mohamed Ashraf Mousa
- Free Float



SHIFTING DRUM
INSIDE DABAA
- SEPTEMBER 2023



Shifting 1 Drum (7.10*7.10*4.15) inside Dabaa port using Superflex trailer.

FUTURE OUTLOOK

Our outlook for the remainder of 2023 remains conservative for a number of reasons. Uncertainty remains in some of our core businesses with costs reaching historical highs. This coupled with the negative impact of a number of key developments including the predicted cost of fuel, the impact of global inflation on our operations, the continued repercussions of the pandemic supply chain disruptions and the resulting impact on price and delays, and last but not least, the impact of the Russia-Ukraine war on supply chains and its direct impact in terms of inflation. Combined together, these recent developments are expected to further negatively impact global and local supply chains during a time when there is little room remaining for more complexity in an already difficult environment.

The World Bank along with the WTO and other organizations predict that the slowdown will continue and even worsen in 2023. Predictions for World Trade – the driver of logistics and transport, by the incumbent economists is that the growth of the volume of global merchandise trade will be only 1% for 2023. This is a very sharp decline from +3.5% in 2022. Given fragile economic conditions, any new adverse development - such as higher-than-expected inflation, abrupt rises in interest rates to contain it, a resurgence of COVID or escalating geopolitical tensions - could push the global economy into recession. The year 2023 therefore promises to be a tricky one for transport and logistics, especially given the impact of inflation pressures and energy prices on operating costs.

On the upside, the strategic plan set in place has helped Egytrans continue to operate within a difficult environment and show results. Nevertheless, we continue to remain cautious in our estimates as part of our risk management strategy. Therefore, our plans for 2023 align with the current realities with a view to ensuring business continuity while planning ahead for the future.

The forthcoming period will therefore continue along our strategy of restructuring as we seek to adjust our operational capability to align with new market realities and capture potential opportunities in the market. As such our priorities will be to continue streamlining our operations and injecting new investments with a focus on generating growth and synergies based on a group structure with multiple brands, contributing to generating new potential and sustainable income and profits. Going forward Egytrans will deliver best in class transport and logistics services with a strategy that rests on three pillars of Grow, Deliver and Simplify for long-term profitable growth.

It is important to remember the outlook for the prospects of the logistics and transport sector remains positive with immense potential. Looking forward, logistics and transport is expected to take on a much larger role than before spearheaded by economic growth and changes in business operations. Egypt, specifically, is evolving as one of the major trading countries, thereby creating a wide range of opportunities for logistics service providers. Moreover, in a geopolitical context, the government aims to make the country a production and distribution hub to serve Europe and the Middle East & Africa with particular focus on expansion into Africa as part of the regional African Free Trade Agreement.

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 1977 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 Ships Service Egypt and Scan Arabia. Working across 9 branches in Egypt, the mission of Egytrans is to make integrated transport easy, safe 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. Egytrans 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: ir.egytrans.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.

EGYTRANS INVESTOR RELATIONS

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