

Challenging Covid-19 and declining demand and prices

Misr Cement Co. (Qena)'s Standalone Net Profits

Surged to EGP 47.4 Million in 2020

- Consolidated net profits increased from EGP 16.5 in 2019 to EGP 23.0 Million in 2020
 - Standalone net profits raised by 34%, amounting EGP 47.4 Million in 2020, compared to EGP 35.20 Million in 2019
 - Earnings per share boosted by 35%, scoring EGP 0.58 in 2020, compared to EGP 0.43 last year.
-

Misr Cement Co. (Qena) (listed on the Egyptian Exchange EGX: MCQE), held today a virtual media roundtable to announce its financial results for 2020; reflecting its outstanding performance in 2020 compared to 2019, despite implications of Coronavirus and the decline in domestic and international cement demand.

Thanks to enhanced operational expenditure, promising production performance along with vast expansion across neighboring markets, Misr Cement Co. (Qena) recorded a leap with its standalone net profits by 34.4%, amounting EGP 47.38 Million in 2020, compared to EGP 35.20 Million in 2019. The group has successfully increased its consolidated net profits to EGP 23 Million in 2020, versus EGP 16.45 in the preceding year. Also, total debts dropped from EGP 485.3 Million in 2019 to EGP 444.5 Million in 2020. Earnings per share boosted by 34.9%, scoring EGP 0.58 in 2020, compared to EGP 0.43 last year.

Misr Cement Co. (Qena)'s agile strategy has significantly paved the way for reducing cost of sales together with SG&A expenses by 10.6%, recording EGP 1.047 Billion in

2020, against EGP 1.171 Billion in 2019, saving EGP 124 Million reflected on pre-tax profits .

Managing Director of Misr Cement Co. (Qena), Eng./ Tarek Talaat stated: “Misr Cement Co. (Qena) is proud with its unrivalled accomplishments in 2020, asserting our ability to withstand challenges, facing global and local economy, along with the Egyptian cement market which suffers excessive production met with lack of consumption. Thanks to reducing cost of sales together with SG&A expenses, the company has continued its successful journey, achieving profits increase by 34.4% compared to 2019. We proved our resilience in the Egyptian market despite the declining domestic demand, which dropped from 48.7 Million ton in 2019 to 45.9 Million ton in 2020, along with declining cement price through 2020, which dropped more than 150 LE per ton by the end of 2020, yielding EGP 47.38 Million standalone net profits and EGP 23.014 Million consolidated net profits.”

Chairman of Misr Cement Co. (Qena), Lieutenant General/ Abd Al-Fattah Harhour, paid tribute to the notable efforts exerted by the company’s human assets, he said: “Misr Cement Co. (Qena) is enriched with its dedicated human capital, who diligently safeguarded production in the most critical times. Since the outbreak of Coronavirus, the company took upon itself to strictly comply to the recommendations of the Egyptian Ministry of Health & Population along with World Health Organization, securing a safe work environment. Our crisis management team has strived to make the most of the current happenings by renovating operational strategies to optimize profitability and production.”

Misr Cement Co. (Qena) was established in 1997, and has a paid capital of EGP 720 Million and a capacity of 2 Million Tons/Year to manufacture an array of cement-based products and byproducts. The company holds a bountiful share of 60% in MINYA

Portland Cement - with a plant capacity of 2 Million Tons/Year Cement and 100% in ASECO READY MIX– with a plant capacity of 500 KMT/Annum Ready-mix Concrete, through 9 Concrete ready-mix stations.