

Egytrans Board conditionally accepts HA Utilities bid

Cairo, Egypt – March 15th, 2021: Egytrans, a leading provider of transport and logistics solutions, announced that the board of directors, in an extraordinary meeting held yesterday, unanimously voted to proceed with the conditional acceptance of the non-binding offer for business integration presented by HA Utilities Holding BV, a leading Dutch utilities company jointly owned by Hassan Allam Holding and Tanmiya Energy BV. According to Abir Leheta, Chairman and CEO of Egytrans, the board "carefully reviewed the proposal and unanimously concluded that the proposal merits further review."

As a result, Egytrans will proceed with the due diligence and valuation process through independent advisors. In addition, Egytrans Board will be engaging with the management of HA Utilities Holding BV in order to gain more clarity on their strategic vision and value contribution to the proposed partnership, and the potential operational synergies that can be derived. Most importantly, according to Leheta, is "how they see the future role of the combined entity within the overall Transport & Logistics Industry."

"We are operating in an industry where scale is increasingly critical" said Leheta, speaking on the reasoning behind this decision. "Aside from the evident operational synergies resulting from the vertical integration of our two businesses and the added value for our shareholders, derived from entrance into the thriving business of Clean Energy and Water, this potential partnership aligns with Egytrans' ambitious strategy of expansion". Over the last period, Egytrans has been actively reviewing opportunities in the region and specifically in Africa with an eye to expanding its geographical footprint using a phased approach. This partnership, according to Leheta, would help to accelerate the process by building on HAU's experience and established presence. It would also support Egytrans in capitalizing on large-scale logistics opportunities in Egypt. Likewise, HAU stands to gain significantly from this partnership, which would give them an established foothold in an industry that is set to grow exponentially within the next decade, driven by the increasing demand on logistics and transport. "In fact, our region will play a key role in global logistics and Egypt specifically is in a prime position to capture these opportunities going forward," said Leheta, adding that "Egytrans already leads the market in Egypt in project logistics and depot solutions and has been gaining significant traction in its other core lines of business".

Transaction overview

The transaction would see Egytrans acquiring 100 percent of HAU BV in consideration of a debt owed to the seller and settled through the issuance of additional shares in Egytrans at a fair value estimated by an independent financial advisor.

Next steps

Egytrans has appointed Grant Thornton as an Independent Financial Advisor and Matouk Bassiouny & Hennawy as legal counsel and will appoint an investment banking company as financial advisors for this transaction.

Important Additional Information

The transaction is conditional on the outcome of the due diligence process and the valuation by the appointed independent financial advisory firm and obtaining the approval of the shareholders of

Egytrans at an extraordinary shareholders' meeting. 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.

The content of this announcement will have no impact on the previously announced outlook for the financial year 2021 as reported in the Earnings Release of Q4 2020 dated March 14th 2021.

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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 197 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: www.ir.egytrans.com

About Hassan Allam Utilities Holding BV (HAUH)

H.A. Utilities Holding BV, owned by Hassan Allam Holding and Tanmiya Energy BV, is an infrastructure investment and development platform focused on conventional power, renewables, and water-related opportunities to address the growing demand for infrastructure in Egypt and the region. The company had recently announced the acquisition of Ridgewood Egypt, a leading company in water desalination, as part of its strategy to support and develop water desalination and treatment projects in Egypt

About Hassan Allam Holding (HAH)

Hassan Allam Holding is a leading Egyptian engineering and construction group whose primary operations include infrastructure, power, industrial, petrochemical and complex large-scale building projects in Egypt and the MENA region. The founders of Hassan Allam Holding commenced operations in 1936, making the oldest construction franchise in the MENA region with a solid reputation, superior technical capabilities, and a diversified portfolio. With a legacy of identifying and investing in attractive infrastructure projects, in the past five years, it has delivered over 70 projects and has a current backlog exceeding USD 5 billion. The group is named among the Engineering News-Record (ENR) list of the top 250 global contractors. For more information, visit www.hassanallam.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.