

15 August 2022

## MM Group for Industry and International Trade S.A.E (MTI) Reports 2Q2022 Results.

MM Group for industry and International Trade (MTI), today announced its Standalone and Consolidated results for the period ending 30 June 2022. The consolidated revenues in 1H22 decreased by 25.1% Y-o-Y to reach EGP 3.6 billion compared to EGP 4.8 billion. And the standalone revenues in 1H22 decreased by 23.6% Y-o-Y to reach EGP 2.9 billion compared to EGP 3.9 billion.

Consolidated gross profit in 1H22 decreased by 22% Y-o-Y to reach EGP 420 million compared to EGP 539 million. And the standalone gross profit in 1H22 decreased by 24.3% Y-o-Y to reach EGP 347 million compared to EGP 458 million.

Consolidated gross profit margin in 1H22 reached 11.61% compared to 11.14% in 1H21. And the standalone gross profit margin in 1H22 reached 11.77% compared to 11.87% in 1H21.

Consolidated EBITDA in 1H22 decreased by 33.3% Y-o-Y to reach EGP 241 million compared to EGP 361 million. And the standalone EBITDA in 1H22 decreased by 33.9% Y-o-Y to reach EGP 210 million compared to EGP 318 million.

Consolidated EBITDA margin in 1H22 reached 6.7% compared to 7.5% in 1H21. And the standalone EBITDA margin in 1H22 reached 7.1% compared to 8.3% in 1H21.

Consolidated net profit in 1H22 decreased by 40.6% Y-o-Y to reach EGP 144 million compared to EGP 242 million. And the standalone net profit in 1H22 decreased by 34.4 % Y-o-Y to reach EGP 149 million compared to EGP 228 million.

Consolidated net profit margin in 1H22 reached 4.0% compared to 5.0% in 1H21. And the standalone net profit margin decreased in 1H22 to reach 5.1% compared to 5.9% in 1H21.

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## Consolidated Financial Highlights 2Q 2022

EGP mn	1H 2022	1H 2021	Y-o-Y
Revenues	3,622	4,836	-25.1%
Gross Profit	420	539	-22%
Gross Profit Margin	11.61%	11.14%	
EBITDA	241	361	-33.3%
EBITDA Margin	6.66%	7.47%	
Net Income	144	242	-40.5%
Net Income Margin	4.00%	5.00%	

## Standalone Financial Highlights 2Q 2022

EGP mn	1H 2022	1H 2021	Y-o-Y
Revenues	2,945	3,855	7.8%
Gross Profit	347	458	5.2%
Gross Profit Margin	11.77%	11.87%	
EBITDA	210	318	12.3%
EBITDA Margin	7.14%	8.25%	
Net Income	149	228	11.3%
Net Income Margin	5.07%	5.91%	

**For Further Information:**

**Ashraf El Ghannam**

Head of Investor Relations and Business Development

**Sally Kheir**

Investor Relations Officer

Mob. : +2 0100 555 3070 | T: +20224024332 | E: [ir@mti-mmgroup.com](mailto:ir@mti-mmgroup.com) | W: [www.mti-mmgroup.com](http://www.mti-mmgroup.com)

**About MM Group for Industry and Trade S.A.E (MTI)**

MTI is an Egyptian joint- stock company listed on the Egyptian Stock Exchange (Ticker: [MTIE.CA](https://www.mti-mmgroup.com)). MTI is one of Egypt's largest distribution companies by geographic coverage with access to over 40,000 points of sale. MTI operates various business lines, including consumer electronics, telecommunication, automotive, seamless pipes, and tractors through partnerships with leading global brands including Samsung, Vodafone, Huawei, Range Rover, Jaguar, Maserati, Bentley, Carrier and Bosch.

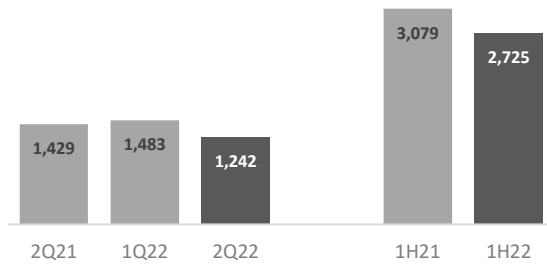
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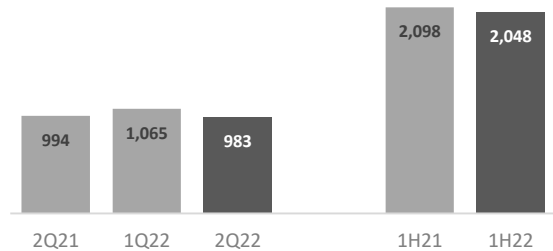




### Consolidated Revenue | EGP mn

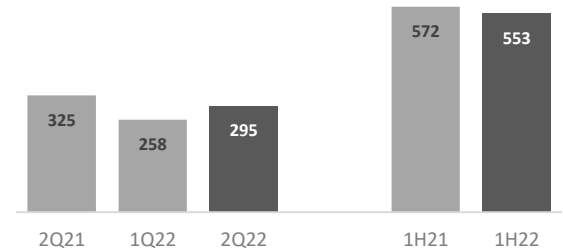


### Standalone Revenue | EGP mn



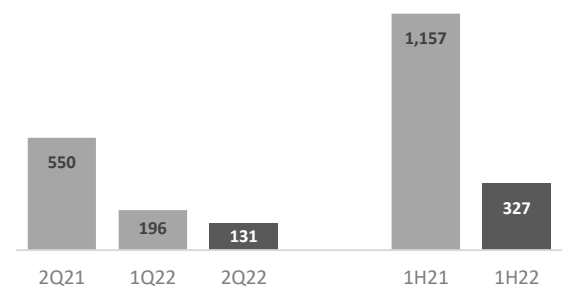
- The telecom line of business which represents 15.3% of the consolidated revenues in 1H22, decreased by 3.3% Y-o-Y to reach EGP 553 million compared to EGP 572 million. While in 2Q22 the revenues increased by 14.5% q-o-q to reach EGP 295 million compared to EGP 258 million on the back of increasing Vodafone express shops by 14 stores in 2Q22.

### Revenue | EGP mn



- The automotive line of Business which represents 9% of the consolidated revenues in 1H22, decreased by 71.8% Y-o-Y to reach EGP 327 million compared to EGP 1.2 billion, which was mainly from the introduction of the new regulations from the CBE in February with regards to the importations using letter of credits and taking the pre approvals in order to be able to import and thus we couldn't import since that date. The sales volumes in 1H22 decreased by 75.7% Y-o-Y to reach 152 cars sold compared to 626 cars.

### Revenue | EGP mn

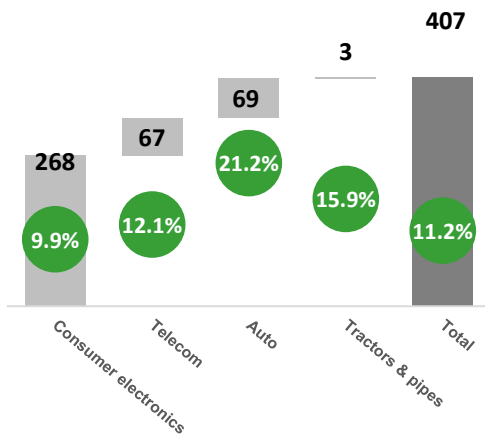


- The tractors and pipes line of business which represents 0.5% of the consolidated revenues in 1H22, decreased by 37.7% Y-o-Y to reach EGP 18 million compared to EGP 28 million.

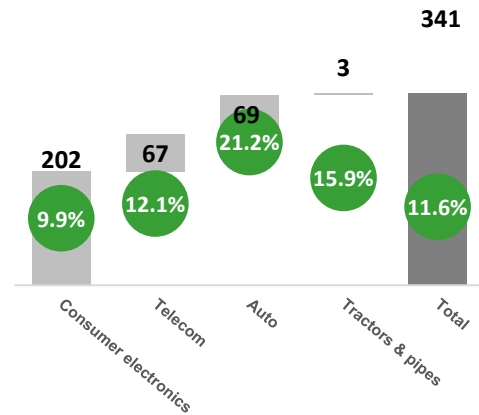
## Gross Profit Breakdown by Line of Business

- The consolidated gross profit in 2Q22 increased by 34.9% q-o-q to reach EGP 241 million compared to EGP 179 million, while decreased by 4.6% Y-o-Y. And the standalone gross profit in 2Q22 also increased by 30.8% q-o-q to reach EGP 196 million compared to EGP 150 million, while decreased by 10.2% Y-o-Y.

1H22 Consolidated GP and margin | EGP mn, %



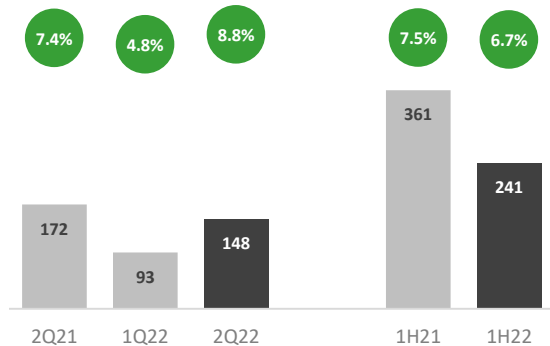
1H22 Standalone GP and margin | EGP mn, %



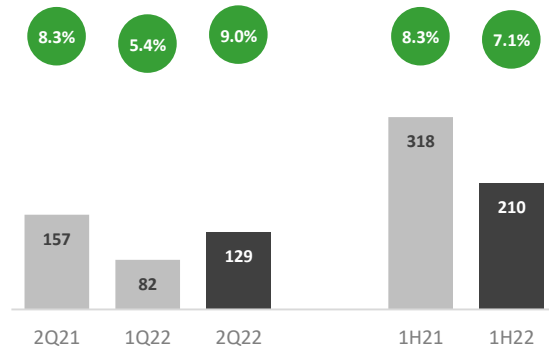
## Earnings before Interest Tax Depreciation and Amortization

- The consolidated EBITDA in 2Q22 surged by 59.2% q-o-q to reach EGP 148 million compared to EGP 93 million, while decreased by 14.2% Y-o-Y. And the standalone EBITDA in 2Q22 also surged by 57.3% q-o-q to reach EGP 129 million compared to EGP 82 million, while decreased by 17.9% Y-o-Y.

Consolidated EBITDA & Margin | EGP mn, %



Standalone EBITDA & Margin | EGP mn, %



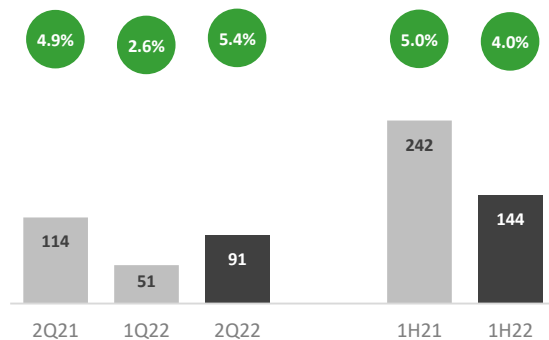
## Investment in Associates

- The investment in associates registered a loss of EGP 10 million in 1H22, mainly on the provision booked by Ebtikar's e-payment companies (Bee and Masary) from the adoption of the new EAS 47 "Expected Credit Loss", with consequent effects the ECL expense booked by the NBFIs.

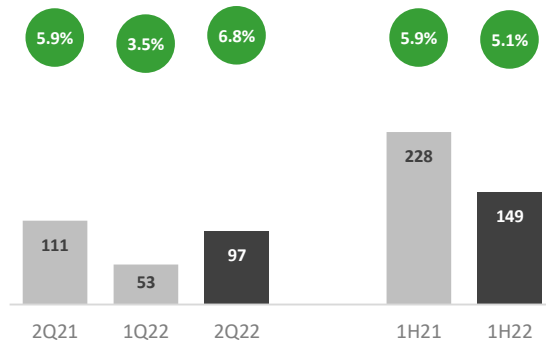
## Net Profit

- The consolidated net profit in 2Q22 surged by 79.9% q-o-q to reach EGP 91 million compared to EGP 51 million, while decreased by 20.2% Y-o-Y. And the standalone net profit in 2Q22 also surged by 82.7% q-o-q to reach EGP 97 million compared to EGP 53 million, while decreased by 13% Y-o-Y.

Consolidated Net Profit & Margin | EGP mn, %

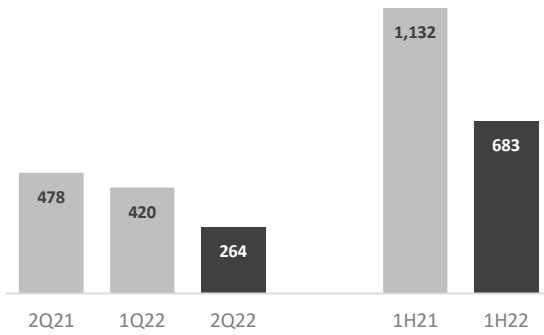


Standalone Net Profit & Margin | EGP mn, %

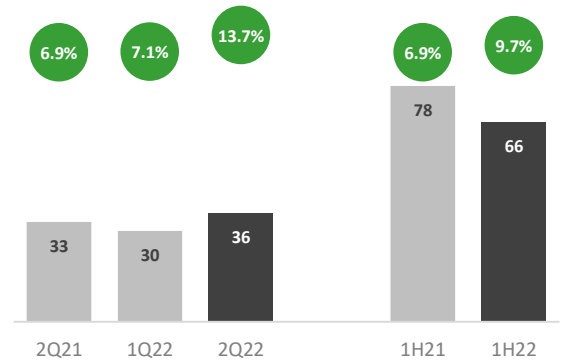


## kanawat Operational Performance

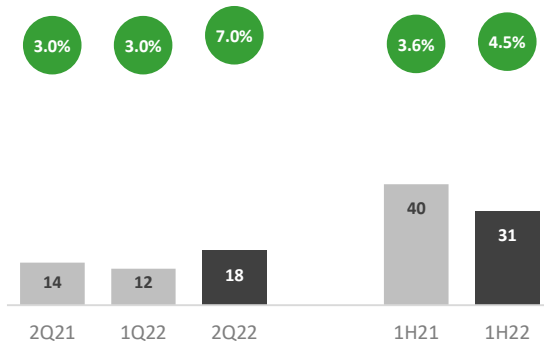
### Revenue | EGP mn



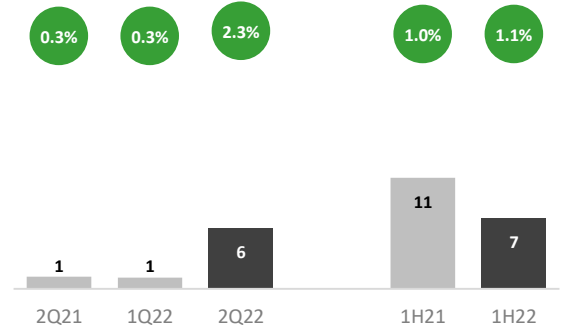
### Gross Profit & Margin | EGP mns, %



### EBITDA & Margin | EGP mns, %



### Net Profit & Margin | EGP mns, %



- Kanawat reported strong growth in the Gross profit and the bottom line in 2Q22 with gross profit rising 20.9% q-o-q and 9.3% Y-o-Y, and net profit expanding 469% q-o-q and 411% Y-o-Y.
- The mobile segment still representing the major contributor with 78% of total revenues in 1H22 and the remaining 22% was coming from the home appliances segment and retail shops.



## Consolidated Balance Sheet

EGP 000'	1H 2022	FY 2021
<b>Assets</b>		
Cash and Cash equivalents	685,549	640,114
Current Assets	1,729,316	2,326,257
Fixed Assets	705,666	707,069
<b>Total Assets</b>	<b>3,120,531</b>	<b>3,673,440</b>
<b>Liabilities &amp; Equity</b>		
Bank overdrafts	122,329	437,784
Current Liabilities	745,162	1,020,344
Non-Current Liabilities	89,951	98,465
Minority Interest	110,392	112,464
Net Worth	2,163,089	2,116,847
<b>Total Liabilities &amp; Equity</b>	<b>3,120,531</b>	<b>3,673,440</b>

## Standalone Balance Sheet

EGP 000'	1H 2022	FY 2021
<b>Assets</b>		
Cash and Cash equivalents	671,424	614,733
Current Assets	1,204,615	1,556,592
Fixed Assets	777,895	759,742
<b>Total Assets</b>	<b>2,653,934</b>	<b>2,931,067</b>
<b>Liabilities &amp; Equity</b>		
Bank overdrafts	68	182,714
Current Liabilities	679,541	837,935
Non-Current Liabilities	58,077	58,404
Net Worth	1,916,248	1,852,014
<b>Total Liabilities &amp; Equity</b>	<b>2,653,934</b>	<b>2,931,067</b>