



TAQA Arabia year end 2023 Earning release.

02 March 2024

Year end 2023 Key Highlights

Consolidated Revenues

TAQA Arabia is proud to announce a remarkable year-end growth of 26% in revenue compared to the previous year reaching EGP 13.463 billion. This impressive achievement reflects the company's dedication to operational excellence and its success in executing strategic initiatives across various divisions.

The Petroleum division spearheaded TAQA Arabia's growth, recording a significant 23% revenue increase to EGP 7.413 billion compared to EGP 6.032 billion in the previous year. This growth is attributed to a 4% increase in fuel Volumes sold, coupled with the impact of several fuel price adjustments that took place during 2023.

Gas Division also witnessed strong growth, with revenues reaching EGP 3,600 million up from EGP 2,682 million, representing a remarkable 34.2% year-over-year increase. This success stemmed from the company's commitment to expanding its network, opening 14 new compressed natural gas fuelling stations during year 2023, bringing the total to 75 stations. Another driver to revenue increase was the division contributed to the government's initiative of connecting remote villages across Egypt through natural gas grid expansion, further solidifying our commitment to national development.

Power division marked a 15% year-end revenue increase to record EGP 2,357 million up from EGP 2,052 million in year-end 2022 end, this growth is attributed to higher volumes due to commencement of new PV projects, higher consumption across industrial, touristic, and commercial clients in distribution projects, and the appreciation of foreign currency positively impacting hard currency-based power purchase agreements.

TAQA Arabia expanded its international operations by establishing a natural gas fuelling station business in Tanzania and acquiring a similar company in Mozambique, contributing an additional EGP 109.4 million in revenue.

The water division recorded more than four folds increase in sold volumes during its second year of operation, marking the successful acquisition of new projects in the segment of water desalination and signifying TAQA's commitment to portfolio diversification.

This strong performance underscores TAQA Arabia's dedication to delivering sustainable energy solutions, contributing to regional economic development, and building a diversified and robust business portfolio. The company remains confident in its ability to maintain this momentum and achieve even greater success in the future.

Consolidated EBITDA

TAQA Arabia

G2, El Morshedy St. El Lasilky Area., Maadi, Cairo, Egypt
Telephone: (202) 2703 6185 Facsimile: (202) 2703 6187

شركة طاقة عربية

ج ٢ شارع المرشدي - منطقة اللاسلكي ، المعادي ، القاهرة ، مصر
تليفون: ٢٧٠٣ ٦١٨٥ (٢٠٢) فاكس: ٢٧٠٣ ٦١٨٧ (٢٠٢)



TAQA Arabia is pleased to announce a strong performance in 2023, with consolidated EBITDA reaching EGP 1.489 billion, recording a 21% increase compared to EGP 1.225 billion in 2022. This impressive achievement is attributed to significant rise in compressed natural gas for vehicles volume, the commencement of new renewable energy projects, growth in petroleum fuel products margins, and successful expansion initiatives, including entering the compressed natural gas for vehicle business in Africa and the positive impact in the second year of operation in the newly established Water division, propelling the company's growth and diversification.

Net income

While Consolidated EBITDA experienced a significant 21% growth in 2023, net income after minority witnessed an increase of 3.5%, recording EGP 557.2 million. The unmatched increase in net income compared to that of EBITDA mainly attributes to the increase in interest expenses associated with the Central Bank of Egypt raising interest rates by 300 basis points (bp) in 2023 and a full-year effect of the previous 800 bp increase in 2022, resulted in a surge in interest expenses.

Overview on TAQA Arabia

TAQA Arabia is Egypt's leading private sector group in energy distribution and its integrated services providing its wide range of services to customers' needs in Egypt, Africa and MENA regions. The Group serves more than 1.7 million domestic, industrial, touristic, and commercial customers with their daily needs of natural gas, electricity, renewable energy, petroleum products, and water in 50 Egyptian cities.

TAQA Arabia invests, constructs, operates, and maintains energy infrastructure including gas transmission & distribution in 8 Egyptian governorates, conventional and renewable power generation & distribution, water treatment and desalination services, as well as marketing oil products and lubricants throughout several retail fuel stations across the country.

Through its subsidiary "Master Gas", the company operates extensive number of CNG stations and conversion centers, as well as providing off-grid customers with Mobile CNG services to deliver gas to areas far from the natural gas grid across Egypt and the region.

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Forward-Looking Statement

This communication contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be identified by the use of such words and phrases as “according to estimates”, “anticipates”, “assumes”, “believes”, “could”, “estimates”, “expects”, “intends”, “is of the opinion”, “may”, “plans”, “potential”, “predicts”, “projects”, “should”, “to the knowledge of”, “will”, “would” or, in each case their negatives or other similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans or expectations regarding the Company’s business and management, the Company’s future growth or profitability and general economic and regulatory conditions and other matters affecting the Company.

Forward-looking statements reflect the Company’s management’s (“Management”) current views of future events, are based on Management’s assumptions, and involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The Company’s business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to become inaccurate. The company does not undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events occur or circumstances that arise in relation to the content of this communication.

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