



شركة أبو قير للأسمدة والصناعات الكيماوية

Alexandria, February 13, 2025

To: EGX
Disclosure Sector

Dear Sir,

Kindly find attached the following:-

Abu Qir Fertilizers Co. Earnings' Release for the
Financial Period Ended December 31, 2024.

Yours faithfully,

Head, Investor Relations
& Media Sector (IRO)


13.02-2025

Acc. Nervana Sabbah Oraby

الإسكندرية في: ٢٠٢٥/٢/١٣

السادة / البورصة المصرية
قطاع الأفصاح

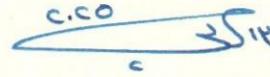
تحية طيبة وبعد ،،،

نتشرف بأن نرفق لسيادتكم طيه:-

تقرير نتائج أعمال الشركة عن الفترة المالية المنتهية في
٢٠٢٤/١٢/٣١ .

وتفضلوا سيادتكم بقبول فائق الإحترام والتقدير ،،،

رئيس قطاع علاقات المستثمرين والإعلام
(مسئول علاقات المستثمرين)



محاسبة/ نرفانا صباح عرابي



الشركة حاصلة على شهادات أيزو ٩٠٠١ - أيزو ١٤٠٠١ - أيزو ١٨٠٠١ - أيزو ٢٥٠٢٥

الإدارة والمصانع :
الطابية - خط رشيد - إسكندرية
كيس بريدي مخصص
الرقم البريدي : ٢١٩١١
www.abuqir.com

تليفون : ٣/٥٦٠٣٠٥٣ (سبع خطوط)
فاكس الإدارة : ٣/٥٦٠٣٠٣٢
فاكس المشتريات : ٣/٥٦٠٣٠٤٦
فاكس التسويق : ٣/٥٦٠٣٠٤٧
E-mail:afc@abuqir.com

مكتب الإسكندرية : ٩٥ طريق ٢٦ يوليو - برج السلسلة
تليفون : ٣/٤٨٧٩٩١١ - ٣/٤٨٧٢٢٩
مكتب القاهرة : ٥ شارع شريف الصغير
تليفون وفاكس : ٢/٢٣٩٣٤١٧٦





Abu Qir Fertilizers & Chemical Industries Reports H1 2024 – 2025 Earnings

Abu Qir Fertilizers Company delivered a robust performance, sustaining its market leadership in the nitrogen fertilizer sector and achieving stellar financial results during the first half of the financial year 2024-2025. Operating revenue grew 19% YoY to EGP 10.25 billion, up from EGP 8.62 billion in the corresponding period. This revenue expansion was driven by favorable average export prices in Egyptian pounds and higher average local free market prices, complemented by the company's prudent marketing and sales strategy, underpinned in an economic manner to optimize the financial performance and maximize shareholder value. The company also reported strong profitability levels, with a 12% increase in net profit after taxes, reaching EGP 4.45 billion, which demonstrates the efficiency of the company's business model.

Key Financial Highlights Q2 2024-2025

Operating Revenue

Revenue of EGP 6.63 billion, increased by 55% year over-year and an 83% increase quarter-over-quarter.

Gross Profit

Gross Profit of EGP 3.18 billion, increased by 42% year over-year and a 167% increase quarter-over-quarter.

EBITDA

EBITDA of EGP 2.70 billion, 43% higher than the second quarter of the financial year 2023-24 and a 196% higher than prior quarter.

Operating Profit

Operating Profit of EGP 2.66 billion, 43% higher than the second quarter of the financial year 2023-24 and a 206% higher than prior quarter.

Net Profit before Tax

Net profit before income tax of EGP 4.13 billion, increased by 62% year over-year and a 151% increase quarter-over-quarter.

Net Profit

Net profit of EGP 3.16 billion, increased by 59% year over-year and a 146% increase quarter-over-quarter.

Summary Financial Results

| Summary Interim P&L St. (EGP mn) | Three Months Ended | | | Six Months Ended | | |
|-------------------------------------|--------------------|------------------|---------------------|------------------|------------------|---------------------|
| | Dec. 31, 2024 | Dec. 31, 2023 | Change % | Dec. 31, 2024 | Dec. 31, 2023 | Change % |
| Operating Revenue | 6628 | 4285 | 54.68% | 10249 | 8616 | 18.95% |
| Gross Profit | 3178 | 2237 | 42.06% | 4366 | 4277 | 2.08% |
| EBITDA | 2699 | 1882 | 43.42% | 3610 | 3660 | (1.36%) |
| Operating Profit | 2658 | 1857 | 43.17% | 3528 | 3605 | (2.15%) |
| Profit before taxes | 4134 | 2545 | 62.43% | 5779 | 5096 | 13.40% |
| Net Profit after taxes | 3161 | 1987 | 59.12% | 4446 | 3973 | 11.89% |
| Earnings per Share (EGP) | 2.15 | 1.34 | 60.45% | 3.01 | 2.69 | 11.90% |
| % Margin | | | Change (pps) | | | Change (pps) |
| Gross Profit Margin | 47.95% | 52.21% | (4.26%) | 42.60% | 49.64% | (7.04%) |
| EBITDA Margin | 40.73% | 43.92% | (3.20%) | 35.22% | 42.48% | (7.25%) |
| Operating Profit Margin | 40.11% | 43.33% | (3.23%) | 34.42% | 41.84% | (7.42%) |
| Net Profit Margin | 47.70% | 46.36% | 1.33% | 43.37% | 46.11% | (2.74%) |



Engineer Abed Ezz Al-Regal, Chairman and CEO of Abu Qir Fertilizers and Chemical Industries Company, commented on the company's results for the first half of the financial year 2024-2025, saying:

"The nitrogen fertilizer sector exhibited positive performance indicators during the second quarter of the financial year 2024-2025, driven by an uptick in global average fertilizer prices compared to the preceding quarter. This upward trend was largely driven by the seasonal demand dynamics, characterized by heightened demand in primary urea markets coinciding with the commencement of the winter fertilization season.

During the first half of current financial year, AbuQir Fertilizers successfully delivered strong top-line growth and sustained its upward trajectory, despite challenges encountered during preceding quarter. This is attributed to the company's unique business model, the positive impact of implementing its marketing and sales strategy for product portfolio, and the successful capitalization on export opportunities to optimize financial performance.

In alignment with the emerging global trend in the nitrogen fertilizer industry, Abu Qir remains committed to enhancing its environmental sustainability through strategic initiatives aimed at optimizing energy efficiency, reducing greenhouse gas emissions, and streamlining water and electricity consumption, as well as chemical treatment costs. Furthermore, the company is focused on strengthening its products competitiveness in global markets by reducing its products carbon footprint, introducing low-carbon products that enhance profitability, and augmenting foreign currency returns, while mitigating prospective carbon taxation liabilities.

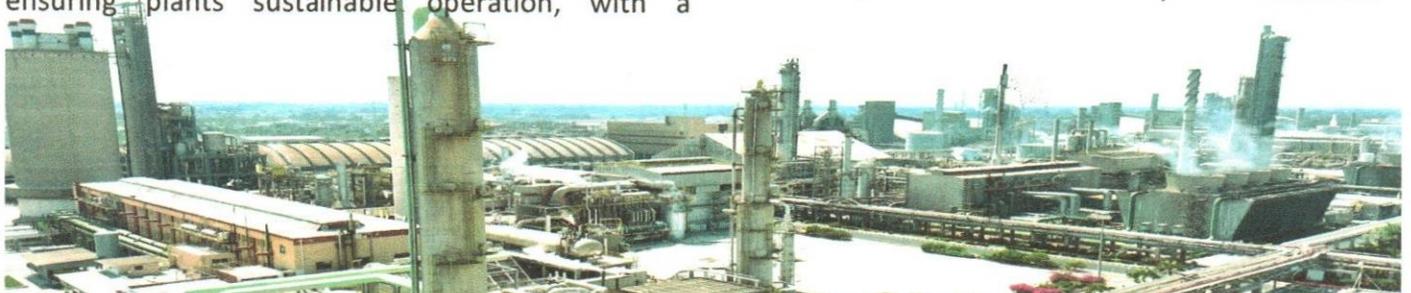
Abu Qir Fertilizers is steadfast in its commitment to ensuring plants sustainable operation, with a

particular emphasis on development and upgrade projects. Notably, the project for partial replacement of natural gas with hydrogen, targeting to increase the production capacity of Plant (1) from 1,100 tons/day to 1,200 tons/day, as well as partially replacing natural gas consumption in Ammonia Plants (2) and (3). An agreement has been signed with MPS Co. for the supply of green hydrogen, which will be generated through electrolysis units leveraging renewable energy, to partially replace natural gas in production processes. This initiative is anticipated to yield meaningful reductions in natural gas consumption, greenhouse gas emissions, and enhance compliance with European emission standards, particularly in anticipation of CBAM.

In parallel, the first phase of the installation of solar stations project is underway, with a capacity of 2.5MWp, aimed at diminishing electricity consumption from the grid or internal generators. The current implementation rate stands at 55%. In addition, the Board of Directors has approved the commencement procedures for the second phase of installing solar stations, with a capacity of 2.5 to 3MWp.

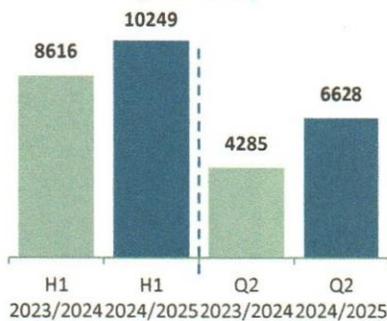
Abu Qir Fertilizers regularly conducts thorough reviews and evaluations of its investments portfolio to ensure the creation of sustainable value accretion for its stakeholders.

We remain confident in the company's ability, through its exceptional and dedicated team, to continue delivering outstanding financial performance, driving growth in a way that fulfills our responsibility towards maximizing returns to our shareholders, which we are always committed to."

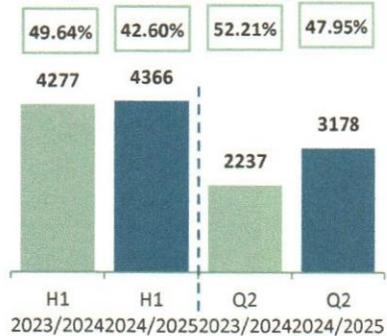




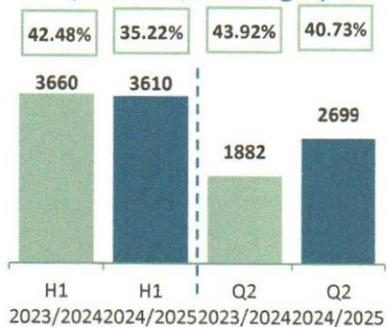
Operating Revenue (EGP mn)



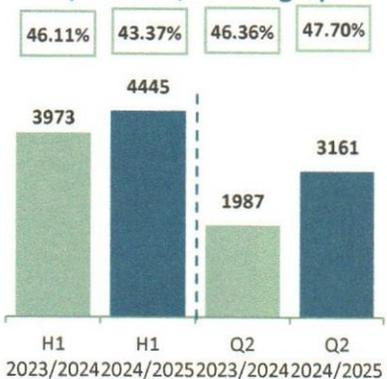
Gross Profit (EGP mn, % margin)



EBITDA Progression (EGP mn, % margin)



Net Profit Progression (EGP mn, % Margin)



Results in a Nutshell

Abu Qir Fertilizers Co. (ABUK.CA on the Egyptian Exchange), one of the leading nitrogen fertilizer producer in Egypt & MENA, announced its results for the first six months ended December 31, 2024.

Financial Highlights

- Abu Qir Fertilizers Co. reported **operating revenue** of EGP 10.25 billion, (+19% YoY) in H1 2024-25 from EGP 8.62 billion recorded in H1 2023-24 driven by higher sales value by 18% due to higher average urea export prices in Egyptian pound as well as higher local free market prices, in addition to the company's efforts and rational marketing strategy.

- **Cost of goods sold** recorded EGP 5.88 billion in H1 2024-25 (+36% YoY) from EGP 4.34 billion recorded in H1 2023-24 as a result of increased material & supplies cost including natural gas due to increased foreign exchange rate as well as increases in salaries and wages.

- Abu Qir reported a **gross profit** of EGP 4.37 billion in H1 2024-25, up by 2% YoY from EGP 4.28 billion recorded in H1 2023-24.

Gross profit margin for H1 2024-25 recorded 42.60% versus the 49.64% recorded in H1 2023-24.

- The increase in total **SG&A expense** was driven by increased salaries and wages, packing expenses, and other expenses.

- Abu Qir's **EBITDA** recorded EGP 3.61 billion for H1 2024-25 and EBITDA margin recorded 35.22%.

- On the financing level, the six months ended December 31, 2024 witnessed an increase in **net financing revenues** by 51% to record EGP 2.25 billion, compared to EGP 1.49 billion during the same period of the comparable year as a result of an increase in foreign exchange gains despite the decrease in financing revenues and the increase in financing expenses.

- **Income tax** increased by 19% during H1 2024-25 compared to H1 2023-24 as a result of the increase in net profit before tax.

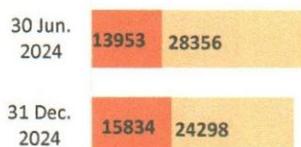
- **Net profit** recorded EGP 4.45 billion during H1 2024-25, (+12% YoY), compared to EGP 3.97 billion recorded during H1 2023-24. The net profit margin for the period recorded 43.37%, compared to 46.11%.

Noting that the comparative figures as of December 31, 2023 have been adjusted and reclassified to be consistent with the presentation of the financial statements on December 31, 2024, where the profit and loss statement was adjusted for employees benefit and the treatment of rotor and their effects on COGS and SG&A and other revenues, financing revenues, financing expenses, income tax and deferred tax.

The specified contributions of the Special Insurance Fund and the complementary pension and support for the retired employees were reclassified and their effects on COGS, SG&A and other expenses.

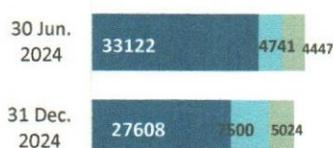


Total Assets (EGP million)



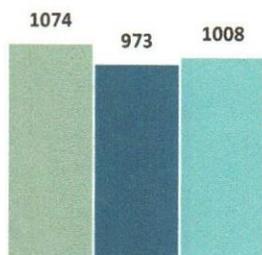
■ Non current assets ■ Current Assets

Shareholders Equity & Liabilities (EGP Million)



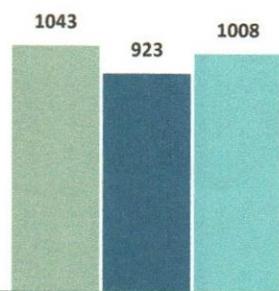
■ Total Equity
■ Current Liabilities
■ Non Current Liabilities

Production Volume Product tons (000s)



■ H1 2023/2024 ■ H 2024/2025 ■ Plan

Sales Volume Product tons (000s)



■ H1 2023/2024 ■ H1 2024/2025 ■ Plan

Highlights on Statement of Financial Position – as of December 31, 2024

- **Total assets** decreased by 5% from EGP 42.31 billion recorded in June 30, 2024 to EGP 40.13 billion in December 31, 2024, as the **total assets under construction** amounted to EGP 529.29 million on 31/12/2024, compared to EGP 379.82 million on 30/06/2024, and the **total intangible assets** totaled EGP 10.18 million comprising capitalized expenditures recorded within the application of SAP / ERP system for digital transformation, distinct from those expended in the current period. The **investment property** balance (at historical cost) on 31/12/2024 amounted EGP 500.72 thousand, as well as on 30/06/2024, represented as lands leased to Alexfert and Bargas, Midgas and Air Liquide companies. The fair value of these investments recorded EGP 915 million on 31/12/2024, and these rents generate revenues of EGP 15.81 million.

-**Total liabilities** reached EGP 12.52 billion on 31/12/2024, compared to EGP 9.19 billion on 30/06/2024 as a result of increase in current liabilities due to increased coupon distribution (EGP 7.5 per share).

-**Total equity** amounted EGP 27.61 billion on 31/12/2024, compared to EGP 33.12 billion on 30/06/2024 as a result of decrease in R/E due to increased dividends.

For more information, please refer to the supplementary notes attached to the financial statements as of December 31, 2024.

Key Operating Segments

Abu Qir Fertilizers Company consists of the following operating segments:

- 1- Abu Qir Plant (1)
- 2- Abu Qir Plant (2)
- 3- Abu Qir Plant (3)
- 4- Ammonia and nitric acid
- 5- Plastic bags factory

The company is committed to continuing its efforts to sustain plants operation in a safe manner, while emphasizing the importance of preserving human capital safety, which consists of a highly qualified and professional teamwork.

• Operational Highlights

- As a result of the company's commitment to implementing the highest standards of occupational safety and health, H1 2024-25 recorded 4.3 million continuous working hours without disabling injuries. For the sixth year in a row, total number of working hours without disabling injuries reached about 68.1 million working hours.

- Despite all challenges in the first three months of the financial year, H1 2024-25 production plan was achieved with an increase of 2% from what was planned.

• Marketing Highlights

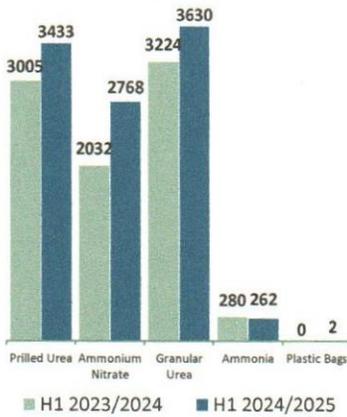
Abu Qir continues its strategies and efforts aimed at maintaining its leadership in the fertilizers industry and its ability to market its products locally and globally.

1- **Export sales:** Export sales represents 62% of sales revenues in H1 2024-25, and export markets diversified to include 20 countries and 64 export customers.

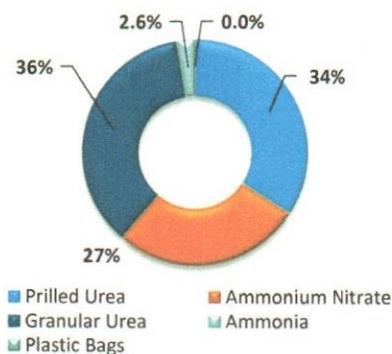
2- **Local sales:** Local sales represents 38% of sales revenues in H1 2024-25, with company's full commitment to supplying the ministry of agriculture's quota , as well as expanding its customer base in local free market reaching to 47 local customers.



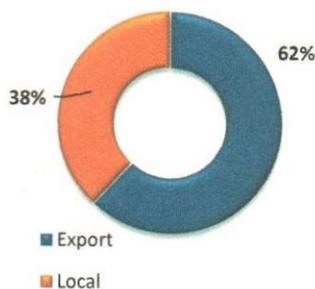
Products Contribution To Revenue (EGP Million)



Products Contribution To Revenue (%)



Market Segmentation (%)



Employees Head Count



Financial results of the key operating segments:

1- Abu Qir Plant (1)

- Prilled Urea sales revenues of EGP 3.43 billion, increased by 14% in H1 2024-25, driven by better average export prices in Egyptian pound as well as favorable local free market prices.

- Prilled Urea sales represents 34% of sales revenues.

2- Abu Qir Plant (2)

- Ammonium nitrate sales revenues, of EGP 2.77 billion, increased by 36% in H12024-25, driven by an increase in average prices of export and local free market.

- Ammonium nitrate Sales represented 27% of sales revenues.

3- Abu Qir Plant (3)

- Granular Urea sales revenues, of EGP 3.63billion, increased by 13% in H1 2024-25, driven by better average export prices in Egyptian pound as well as favorable local free market prices.

- Granular urea sales represents 36% of sales revenues.

4- Ammonia prepared for sale

- Ammonia sales revenues amounting to EGP 262.36 million in H1 2024-25, decreased by 6%, driven by a decrease in sales volume according to demand and operating conditions.

- Ammonia sales represented 3% of sales revenues.

5- Plastic bags factory

- Revenues from plastic bags sales amounted to EGP 1.68 million in H1 2024-25, according to supply and demand conditions.

- Plastic bags sales represented 0.02% of sales revenues.

Key Human Resources Highlights

- Abu Qir's number of employees reached 2487 employees on 31/12/2024, compared to 2492 employees on 31/12/2023, which reflects the company's commitment to maintain appropriate levels of employment in accordance with the operational efficiency rates.

- In parallel, some workers are rehabilitated for other jobs according to work needs, thus achieving maximum benefit from employment and improving performance.

- Abu Qir continues to invest in its human capabilities through launching the "Middle Management Leadership Development Program".



Strategy Insights

Abu Qir Fertilizers Company continues its efforts to achieve sustainable and diversified growth as well as expanding the company's business and enhance its presence.

Abu Qir's Projects

CO₂ Emissions Reduction and Raising the Production Capacity of Abu Qir (3) Plant

Abu Qir collaborated with licensors and general contractors to optimize installation timeline & minimize plant shutdown periods. An agreement was reached to enhance production capacities of Urea Plant (3) and (1) by leveraging advanced technologies. Furthermore, a new granulation unit will be incorporated to accommodate increased production capacity, while streamlining execution timelines to coincide with scheduled annual overhaul. The technical & financial proposal is pending submission to complete necessary studies & procedures.

The Installation of Solar Stations

Phase 1: Abu Qir awarded the Arab Organization for Industrialization to install solar stations with a capacity of 2.5 MWp at an investment cost of EGP 88.32 million, to reduce electricity consumption from the grid or internal generators. The implementation period is one year, and the current execution rate is 55%.

Phase 2: The BOD approved proceeding with the second phase of the project with a capacity of 2.5 -3 MWp.

Partial Replacement of Natural Gas with Hydrogen

The project aims to raise the production capacity of Abu Qir (1) plant from 1100 tons/day to 1200 tons/day and replace part of the natural gas consumed at Abu Qir (2) and (3) Ammonia plants. An agreement was signed with MPS Co. to supply green hydrogen to partially replace natural gas in the production processes. This project will contribute to reducing natural gas consumption, reducing carbon emissions, and enhancing compatibility with European standards regarding emissions, especially with the application of CBAM.

Investments in associates

North Abu Qir for Agri-Nutrients Company

Stake

45%

A project with a production capacity of 2,400 tons/day of ammonium nitrate, 1200 tons/day of ammonia and 1,830 tons/day of nitric acid to be established on the land plot owned by EGPC (formerly Rakta land). The shareholders, Abu Qir Fertilizers and EGPC will each hold a 45% stake, while ECHEM will own 10%. The founding assembly of the new company has been held, and laid the foundation stone and the Co.'s BOD was formed. Noting that, in parallel, progress is being made in all implementation steps of the project, including selecting a list of qualified general contractors, defining a list of licensors for the project units, preparing ITB to be tendered to the list of qualified general contractors, and preparing EIA study, etc. As part of the new company's keenness to be in line with global trend for the reduction of carbon emissions and rationalizing natural gas consumption, MOUs were signed for the possibility of supplying the project with green hydrogen & renewable electricity needed to produce green ammonia. Moreover, the project feasibility study is being updated by "Nexant".

International Company for Methanol & Derivatives

Stake

35%

The possibility of changing the company's activity is being studied to be in line with the state's vision for establishing environmentally friendly projects (green economy).

Investments at fair value

Al-Wadi for Phosphate Industries and Fertilizers "WAPHCO"

Stake

10%

WAPHCO is working to find activities that guarantee company's continuity. It has prepared an integrated study to enter into a project to raise the concentration of phosphoric raw materials, to achieve quality & manufacturing compound phosphate fertilizers. It is also working on obtaining licenses for the right to exploit phosphate ore, in addition to studying trading raw materials and fertilizers and realizing a profit margin.

Abu Tartour for Phosphoric Acid Company

Stake

9.5%

Abu Tartour's BOD decided to recommend studying the project implementation in two phases and starting with half of the production capacity and by self-financing without resorting to bank loans. The related procedures are being completed and to be presented to the General Assembly of Abu Tartour, scheduled to be held on 18/03/2025.



About Abu Qir Fertilizers and Chemical Industries Company

ABUK was established in 1976. It is one of the largest companies specialized in manufacturing of all types of nitrogen and chemical fertilizers, and related materials necessary for their manufacture, packaging, buying, selling and trading within the Arab Republic of Egypt, or abroad. The company has three plants for the production of ammonia, prilled and granular urea, ammonium nitrate, a unit for the production of liquid fertilizer UAN, in addition to a factory for the production of plastic bags.

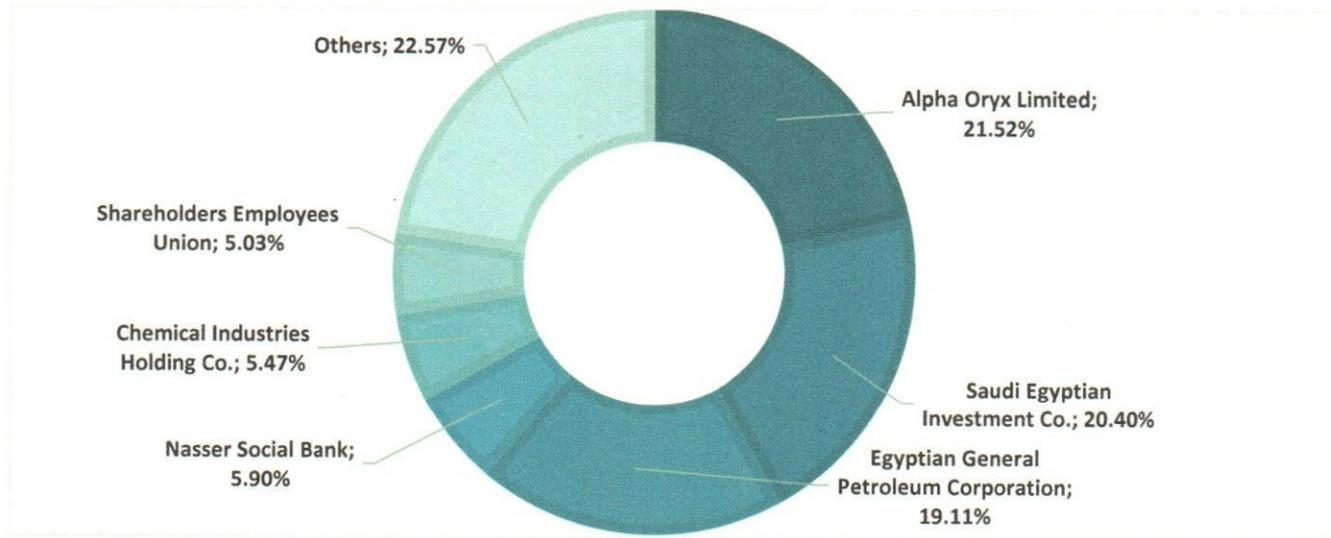
This is in addition to its long history of supporting the Egyptian farmer, through which it was able to maintain its leadership in the nitrogen fertilizer market, not only through its diverse and high-quality fertilizer offerings, but also through its support to the farmer in how to preserve and sustain the soil and achieve maximum benefit from the Fertilization process by contributing to agricultural expansion in cooperation with the Ministry of Agriculture.

Abu Qir Fertilizers Company owns stakes in the following companies:

- Alexandria Fertilizers Company (15%)
- Helwan Fertilizers Company (17%)
- North Abu Qir for Agri-Nutrients (45%)
- Al Wadi Company for Phosphate Industries and Fertilizers (10%)
- Abu Tartur Company for Phosphoric Acid (9.5%)
- The International Company for Methanol and its Derivatives (35%)

For more information, please visit the company's website: <http://abuqir.net/investors/brief>

Shareholders Structure as of 31 December, 2024



To view the complete financial statements and the related disclosures of Abu Qir Fertilizers Co., you can download the list from our website <http://abuqir.net/investors/financial>

For inquiries and contact:

Accountant / Mohamed Abd Elmoneim Mohamed - Deputy Head, Financial Affairs Sectors

Email: budget@abuqir.com

Accountant / Nervana Sabbah Oraby - Head, Investor Relations and Media Sector (IRO)

Email: nervana.sabbah@abuqir.com