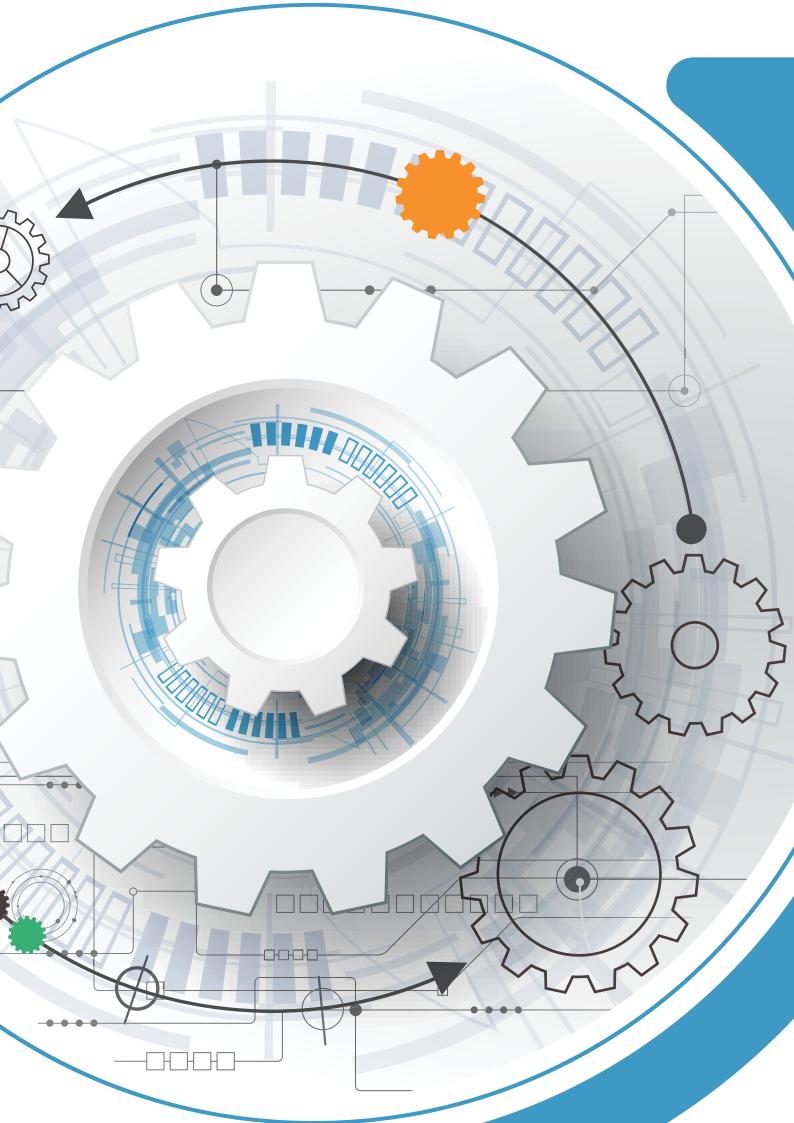


EGYPTIAN PETROCHEMICALS HOLDING COMPANY





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While there is unlikely to be a reduction in the rate of new technology development, the fact that particular feedstocks may influence the structure of the petrochemical sector in certain regions means that there will be some disruption in industry.

The concept of embracing new worldwide tactics and using it not just in new greenfield projects but also in existing facilities to optimize economic returns was revisited at Echem during its second decade.

The 2019/2020 financial year saw the project pipeline Echem transfer 7 projects into execution. With total investments estimated at \$9.5 billion, these initiatives used pre-existing assets and feedstock to enable the desired integration.



involves a few initiatives
that interact with current facilities
while a larger project has the goal of introducing
new goods that are required to assist local value-added
businesses and further enhance the national economy.

We have rigorous expectations at Echem and demonstrate both excellent performance and ethical conduct. The way we live up to our values is a key part of maintaining our reputation. In addition, our long-term success and overall financial well-being depend on our adherence to our principles of social responsibility, environmental preservation, market competitiveness, technological advancement, and open competition.

Chem.\Saad Helal





The Egyptian Petrochemicals holding Company (Echem) was established on 22nd of January 2002 to develop the petrochemicals industry, thus maximizing value of natural resources and promote, support and monitor the petrochemicals sector in Egypt.



CORE VALUES

We set a high standard of performance and ethical behaviors and our reputation is upheld by how we live up to our values. We believe that our long-term success and shareholders' benefits depend on our dedication to social responsibility, employee empowerment, technological partnership and integrity.

Our future business will therefore be governed the very same values.



MISSION

To develop a competitive petrochemicals industry based on local human and natural resources using state-of-the-art technology. We seek a high standard of performance, etching a prominent position in the competitive environment in which we exist and we aim to work closely with our partners and policy makers to advance more efficient and sustainable use of our natural resources.



To be a major player in the petrochemicals industry through transforming Egypt into a regional petrochemicals hub.



Business Focus

ARemarkable Year Of Challenge and Progress

Investment

Projects under Execution

Forthcoming Opportunities

Monitoring & Development

Human Resources

Echem events

Corporate Social Responsibility







Echem methodology is based on models designed to attract "Foreign Direct Investment" through equity participation of International Organizations or financing through local and foreign financial institutions.

- Detailed feasibility studies by independent international specialized consultants to maximize safety of investments, generate credibility to interested parties and facilitate financing by reputable local and Foreign financial institutions.
- Avail appropriate project sites suitable for future expansions and enjoy proximity to utilities, feedstocks and export facilities.
- Guarantee feedstock at competitive prices.
- Long-term off-take agreements to guarantee loans payback.
- Diversified resources for financing projects.
- Participation in Equity.
- Applying Profitable Exit Strategy.



87 KTA UREA FORMALDEHYDE (UFC-85 / UFRESINS-65) **53 KTA** SULPHONATED NAPHTHALENE FORMALDEHYDE (SNF) using Methanol & Urea as feed stock. Availability to produce specialized Urea Formaldehyde Resins with a capacity of 42 KTA

PROJECT STATUS

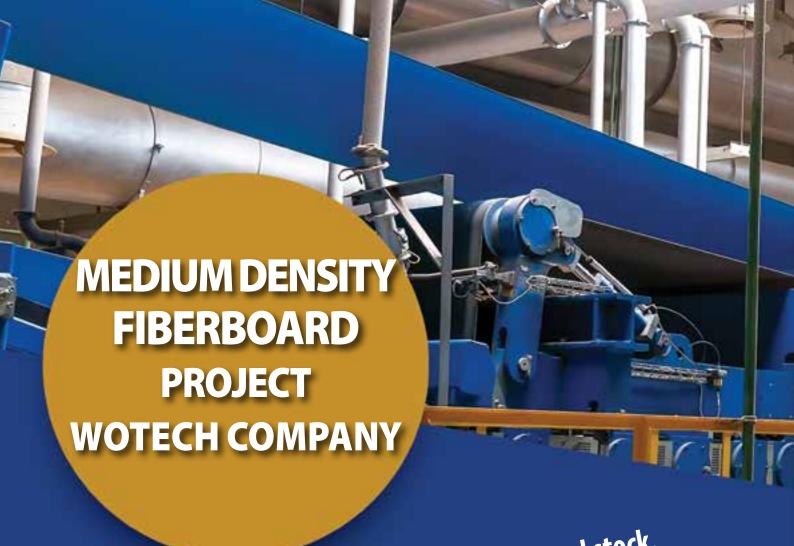
- » Detailed Engineering ongoing by EPC contractor (EMC/ ZAFCOM/ » Basic Engineering Completed

 - » Early Works for construction activities ongoing by EMC

Estimated Investment Cost: 119 MILLION USD Planned Startup Date: Q4, 2022



Location: Echem Land -Damietta Port



205,000 M3/Y MDF Using Rice Straw as feed stock.

PROJECT STATUS

- » Detailed Engineering & Procurement of production lines ongoing by EP contractor (Siempelkamp)
 - » Construction works ongoing by (Petrojet) » Financing Agreement signed with the Lenders

Estimated Investment Cost: 217 MILLION EURO Planned Startup Date: End of 2021





2.7 MM T/Y Petrochemical Products Using 4 MM T/Y imported Crude Oil as feed stock. 930 KTAPetroleum Products

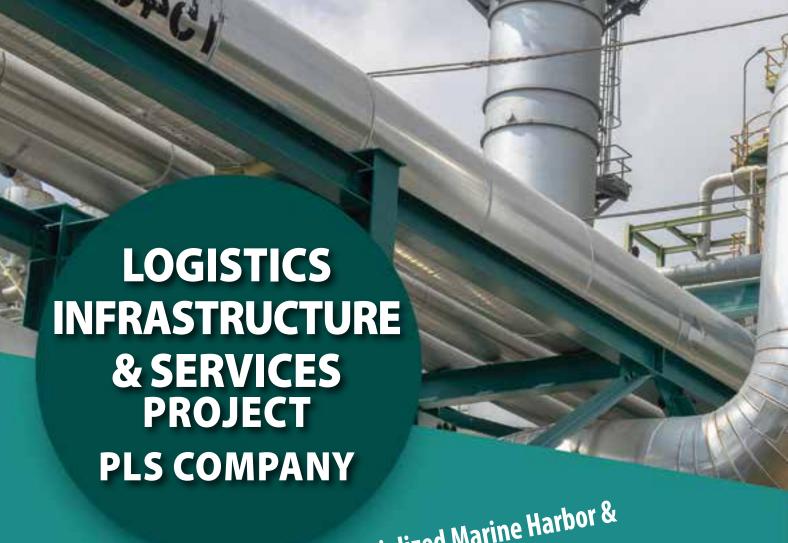
- PROJECT STATUS » Detailed feasibility Study completed
- » Early works completed by BECHTEL
 - » Process Licensors selected

 - » Project Land allocated
 - » Project company established » Crude supply term sheet is under negotiation

Estimated Investment Cost: 7.5 Billion USD Planned Startup Date: End of 2024



Location: SC ZONE - SUEZ CANAL CORRIDOR



Offshore facilities include Specialized Marine Harbor & required interconnecting pipelines.

Onshore facilities including storage tanks to import/export around 8 MM T/Y of petroleum & petrochemical products, and the required interconnection piping network from PLS to existing plants.

PROJECT STATUS

- » Nomination of EPC Contractor ongoing
- » Binding Contracts /Off take agreements under negotiation » Conceptual design completed by Enppi

Estimated Investment Cost: 310 MILLION USD Planned Startup Date: Q4: 2023



Location: EL-MAX DISTRICT, ALEXANDRIA

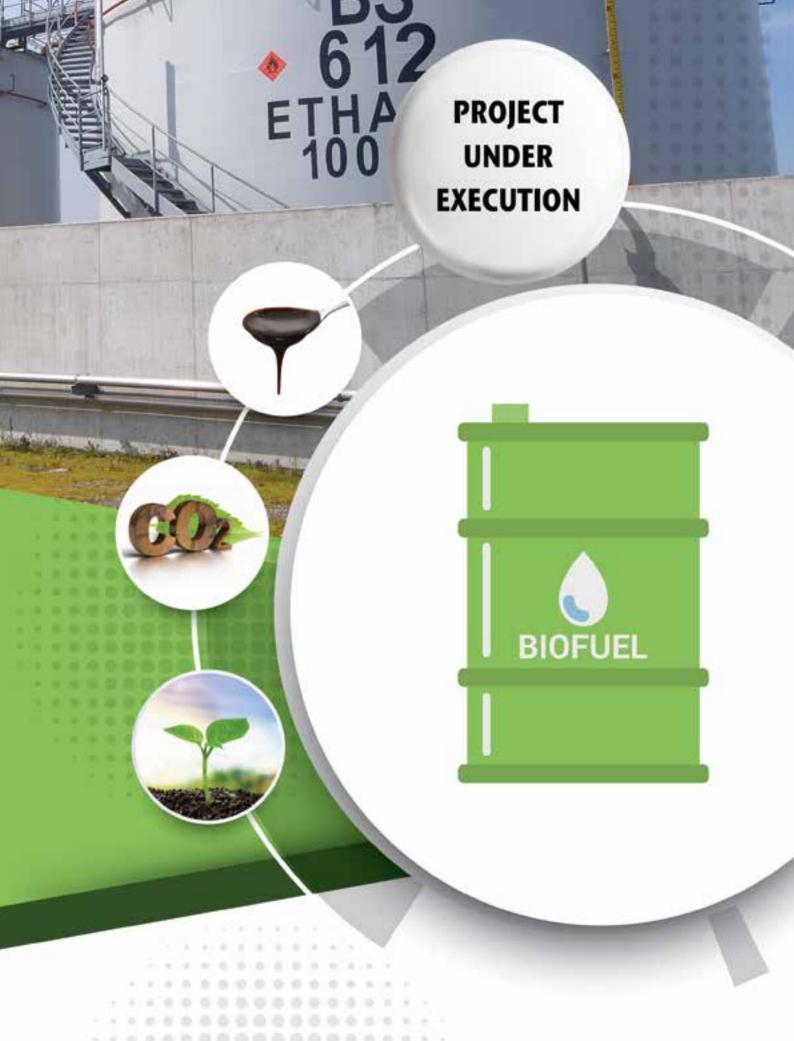


100 KTA of Bio-ethanol produced from Beet Molasses as well as producing 130 KTA of Vinasse & 60 KTA of Co2 as byproducts.

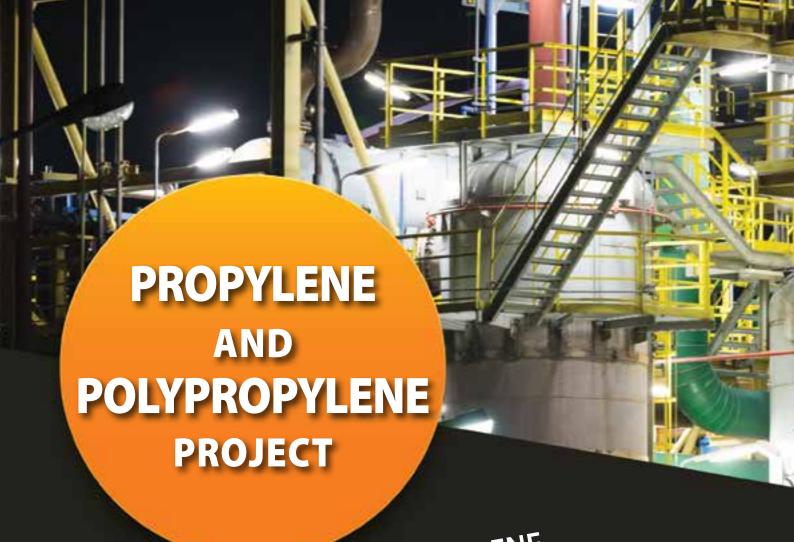
PROJECT STATUS

- » Pre-feasibility study completed
- » Shareholder agreement signed » Establishment of project company ongoing
 - » Project Land allocated

Estimated Investment Cost: 112 MILLION USD Planned Startup Date: Q4:2022



Location: **ECHEM LAND -DAMIETTA PORT**



PHASE 1 500 KTA POLYPROPYLENE

PROJECT STATUS

- » Basic designs have been completed for Propylene Project by UOP. Production license contract of polypropylene has been signed by
 - » Engineering works contract has been signed with Enppi and
 - Petrojet for OSBL, design and implementation of projects

Estimated Investment Cost: 1.6 BILLION USD



Location: SIDPEC Land - Alexandria



36 KTA POLYBUTADIENE RUBBER (LCBR)

PROJECT STATUS

» Petrojet and SPA alliance have been selected as a general contractor.

Estimated Investment Cost: 160 MILLION USD

Planned Startup Date: Q4:2021



Location: ETHYDCO Land - Alexandria



2 MMT/Y Petrochemical Products 550 KT/Y Petroleum Products, using 3 MM T/Y imported Crude Oil as feed stock.

PROJECT STATUS

- » Pre-Feasibility study completed
 - » Detailed Market Study completed
 - » Project Land allocated

Estimated Investment Cost: 5.4 BILLION USD Planned Startup Date:2026



Location: ECHEM FREE ZONE LAND
NEW ALAMEIN CITY- MATROUH



50 KTA/Y POLY ACETAL

PROJECT STATUS

- » Prefeasibility study has been prepared.
- » Preparation of detailed feasibility study is ongoing.
 - » Methanol feedstock is secured (by Echem).

Estimated Investment Cost: 400 MILLION USD

Planned Startup Date:Q4:2024



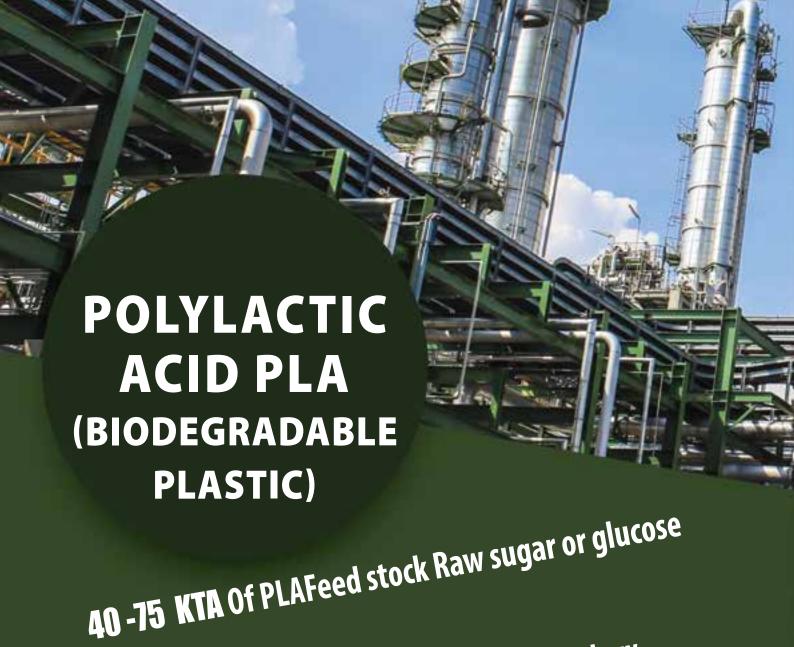


30 KTA Of Metallurgical Silicon **PROJECT STATUS**

- » Memorandum of understanding has been signed with » In house study has been prepared
 - » Many Egyptian petroleum sector companies and Private
 - sector companies have expressed their interest in being
 - The process of selecting an international consultant for preparing detailed feasibility study has been started.

Estimated Investment Cost: 90 MILLION USD Planned Startup Date:Q4:2023





Estimated Investment Cost: 400 -700 MILLION USD

expressed their interest in marketing the PLA

Planned Startup Date:Q4:2024

PROJECT STATUS



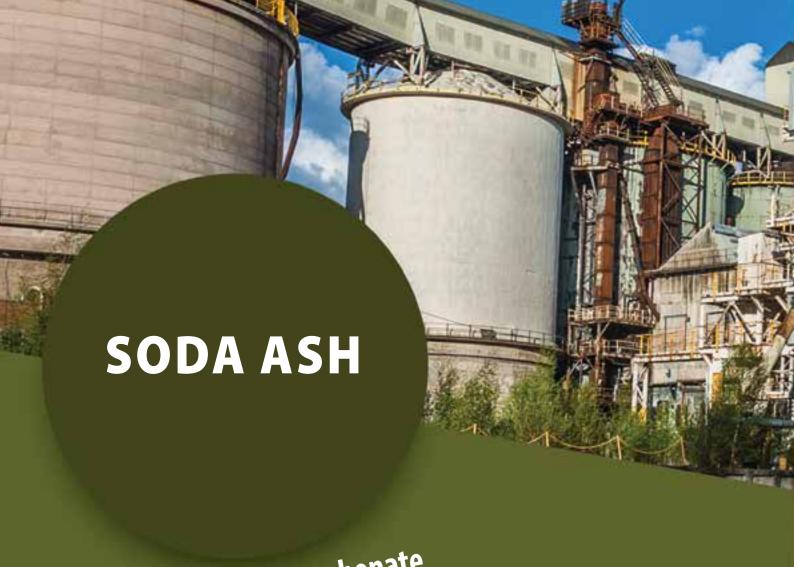


60 KTA Of Melamine

- PROJECT STATUS
- » In house Prefeasibility study has been prepared. » An international marketing Co. expressed its interest
 - toc market the melamine product externally in quantities from 40 to 50 thousand tons annually.
 - » Local and international companies have also expressed their interest in being shareholders in the

Estimated Investment Cost: 260 MILLION USD Planned Startup Date:Q4:2024





570 KTA Sodium carbonate 20 KTA Sodium Bicarbonate **50 KTA** Sodium Silicate

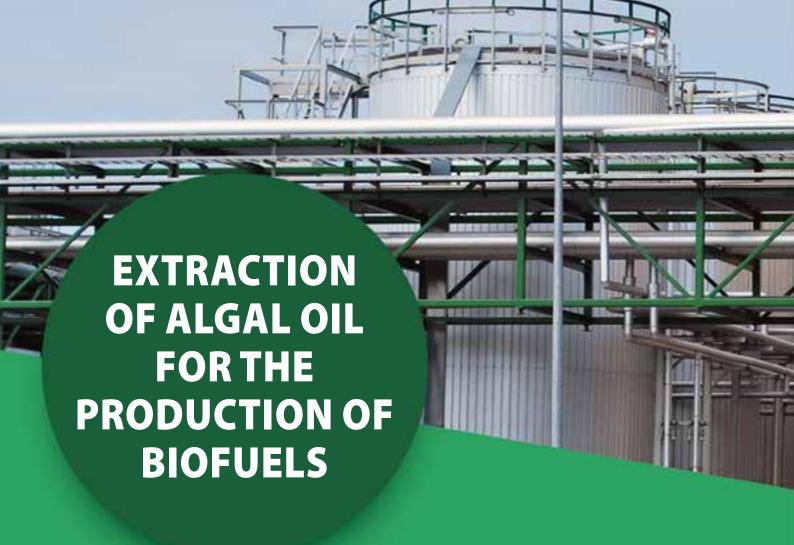
PROJECT STATUS

- » In house prefeasibility study has been prepared.
- » Scope of work was prepared in order to be sent to specialized companies to prepare the detailed feasibility
 - » Number of local banks has been contacted in order to

get initial offers to finance the project. Estimated Investment Cost: 420 MILLION USD

Planned Startup Date:Q4:2023





140 KTA Algae oil 140 KTA Algae cake (spent mass)

- » Regaia Energy is the licensor for the production of algal oil PROJECT STATUS » A sample of algae oil was tested and has shown promising
 - » The first commercial farm worldwide will be started in
 - » Licensors for the production of green diesel and green
- Estimated Investment Cost: 400 MILLION USD for cultivation of algae and ext

Planned Startup Date:Q4:2023





The continued support of existing petrochemical complexes through technical and administrative supervision to increase the production rate and marketing share of products which had positive impact for the financial position of these companies.

Our best practices to enhance operational excellence have yielded record breaking performance for the operating projects while forecasting a prolific vision for the upcoming ones depending on two essential axes:

1- FOLLOW-UP & DEVELOPMENT:

Echem offers non-stop support for the affiliated companies to secure their need for raw materials and utilities.

The company as well follows-up execution of revamps, scheduled and preventive maintenance to enhance the continuity of operation and minimize shutdowns.

Typically, Echem shows interest in the development projects of affiliated companies to increase their income and profits along with enhancing their capability of competition in the local and global markets.



MONITORING, DEVELOPMENT & INTEGRATION

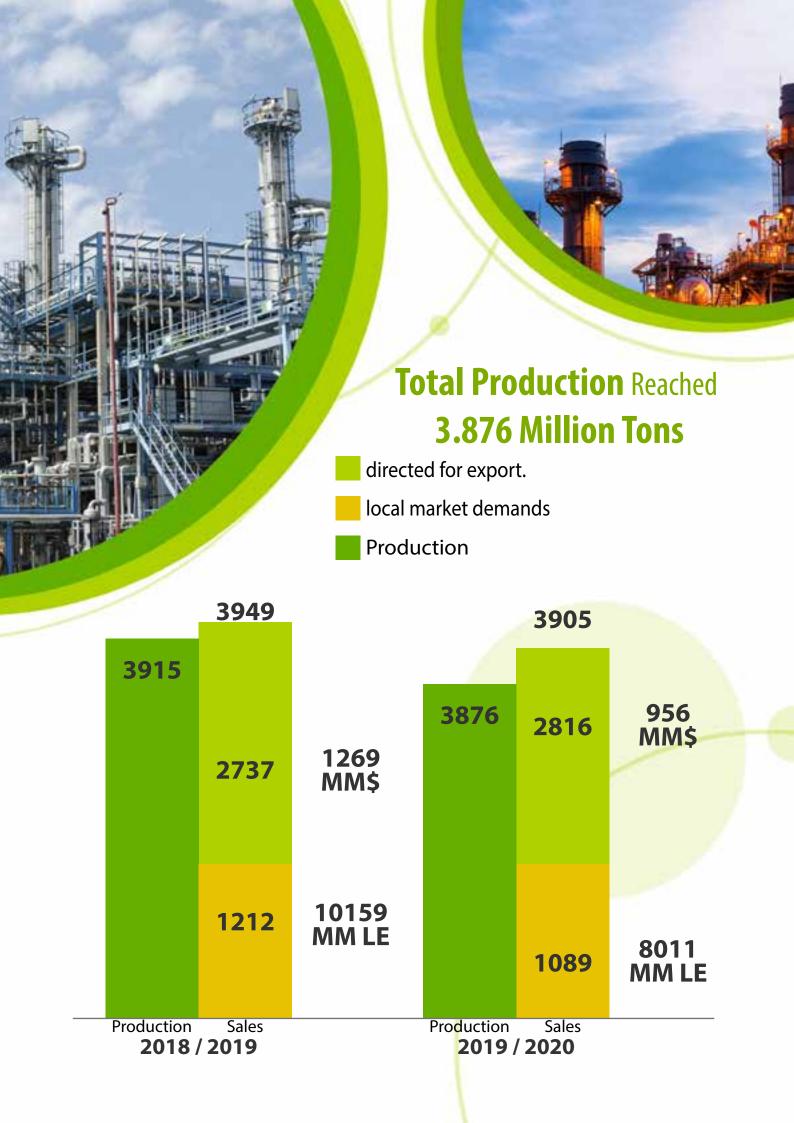
2- DEVELOPMENT& INTEGRATION:

Moving to an advanced level of revamping, the fiscal year 2019/2020 has witnessed renovation projects that embraced:

- Replacing the mono-polar electrolysis cells by Bi-polar cells in Chlorine plant (EPC)
- Upgrading the Automation system to Distributed Control Systems (DCS) in PVC plant (EPC)
- Establishing new EDC cracking unit in VCM Plant using TLX technology (EPC)
- Supply and installation of a fifth polymerization reactor for the production of PVC (EPC)
- Establishing two chlorides removal units, (ELAB)
- Revamp study in (PACOL) unit (ELAB)
- Conversion of Heavy alkyl benzene (HAB) to Linear alkyl benzene (LAB) through Trans alkylation process (ELAB)

These promising projects are expected to achieve even bigger accomplishments than the last year by lowering production costs & energy consumptions hence affecting production, sales & revenues consequently.







PRODUCTION & SALES

At ECHEM, we operate a portfolio of businesses; well positioned to take advantage of integration synergies with our affiliates and operating units, as well as maintaining focus on operational excellence.

Production and maintenance plans are key elements in enhancing productivity and reducing shutdown periods.

An ambitious plan was set for sales, as the total reached 3.905 Million tons where 1089 Million tons of the production was dedicated to meet local market demands while 2.816 Million tons was directed for export.





During 2019/2020, Echem HR Continued its key goal to foster a competent Workforce and create an organizational culture to maintain its relevance as a place of opportunity and excellence.

This year Echem HR main objective was to provide a climate for employees to discover, develop, and use their knowledge for the betterment of organization. Every employee is given full freedom to exhibit his skills, talents and knowledge for the benefit of organization. Innovative ideas and schemes would be encouraged and appreciated in Echem.

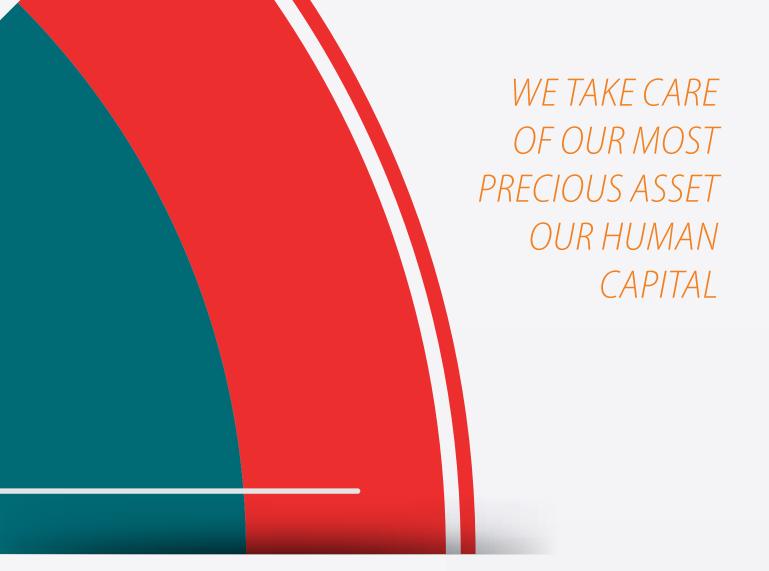
As Echem mission is "To develop a competitive petrochemicals industry based on local human and natural resources", so the aim was to provide a comprehensive platform for the development of Human Resources in the organization & its affiliates to fully stretch their capacities and the talented people would get motivated when their intelligence and knowledge get recognized and acknowledged by the organization.

Echem HR has also set a key goal to integrate with its affiliates through:

- Identifying and analyzing HR issues, defining optimized systems to recruit and train the right people.
- Promoting a business culture that encourages innovation and rewards individual initiative.
- Ensures that the emerging petrochemical workforce has the right experience and skills needed to tackle the challenges that lie ahead and deliver business strategy.







COLLEGE STUDENTS TRAINING & INTERNSHIP PROGRAMS:

Since proper academic education & competent technical training have always been inseparable for efficient performance, ECHEM & its' affiliates have set a qualification program for college students to enhance their knowledge, boost their awareness level and make the most of their potentials. Internships & hands on experience, guided by ECHEM & its' affiliates, have greatly contributed to the students' expertise and shall serve them well after graduation and through their career paths in the near future.

CODE OF ETHICS ACTIVATION:

The Petrochemicals Sector together with The High Commission against Corruption and Administrative Illegality (HCCAI) are currently activating code of ethics among the petrochemical companies & projects in Egypt to conduct business with honestly and integrity. Breaking the code of ethics can result in taking disciplinary actions against the breaker according to the Egyptian Penal Code. This decent step has been put recently in progress to help employees conduct their actions in accordance with their organization's primary values and ethical standards.













Cancer Kids Party



Distributio







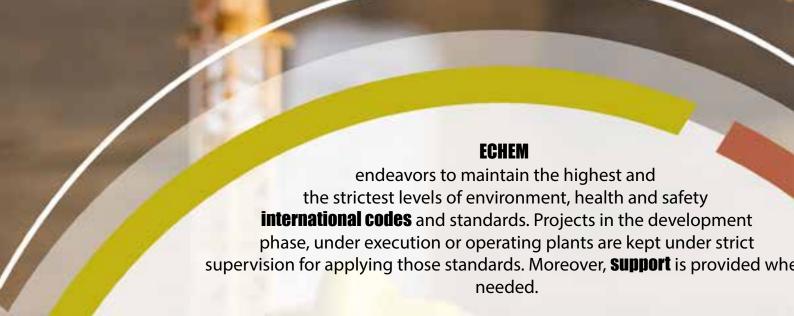


n of Toys



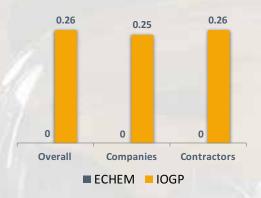
Paying Expenses





LIST	COMPANY	CONTRACTOR	OVERALL
Total Number of Working Hours	hr 14672394	8082582 hr	22754976 hr
Fatality/Serious Injuries	-	-	-
Lost Time Injuries (LTI)	-	-	-
Injuries (Outside Workplace)	4	-	4
Fatalities (Outside Workplace)	-	-	-

(ECHEM) COMPANIES LOST TIME INJURY FREQUENCY (LTIF) COMPARING WITH (*IOGP)



LTIF	ECHEM	IOGP
OVERALL	0	0.26
COMPANIES	0	0.25
CONTRACTORS	0	0.26

ENVIRONMENT, HEALTH & SAFETY

(ECHEM) COMPANIES FATAL ACCIDENT RATE (FAR)
COMPARING WITH (*IOGP)



FAR	ECHEM	IOGP
OVERALL	0	1.01
COMPANIES	0	0.31
CONTRACTORS	0	1.20





Balance Sheet

Revenue Analysis 30 June 2019

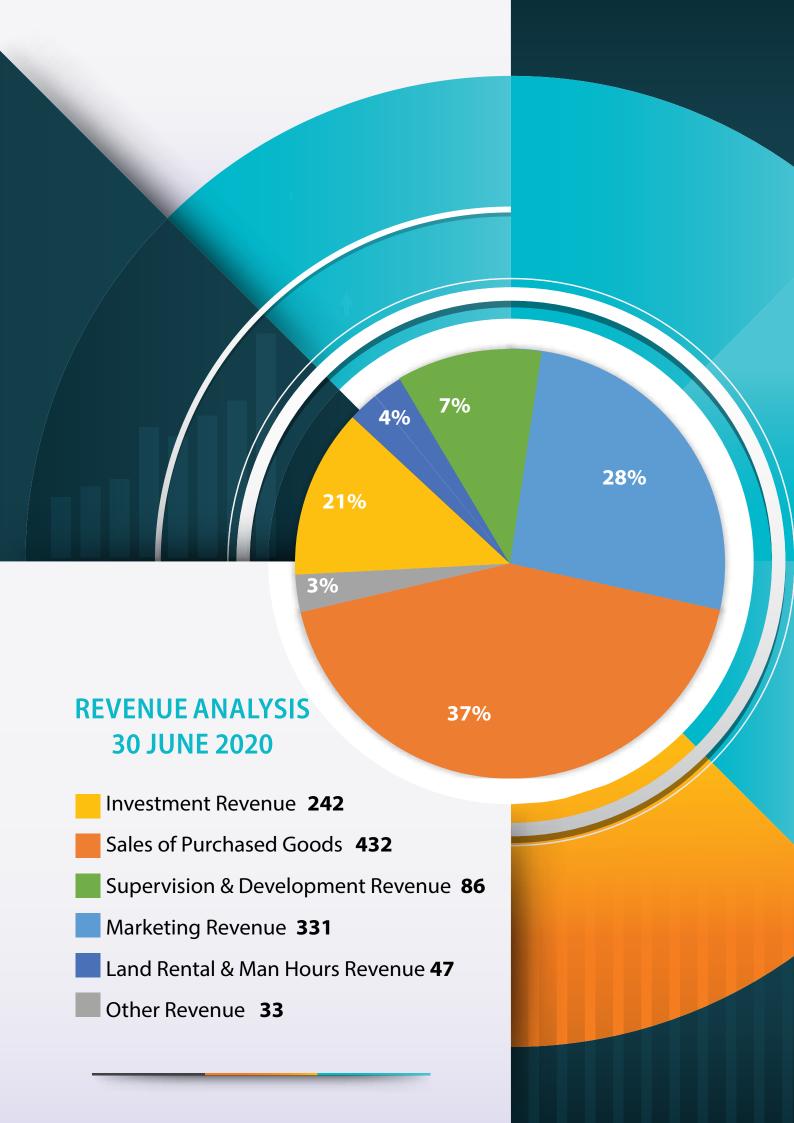
A Growth Strategy

Income Statement (HIGHLIGHTS)



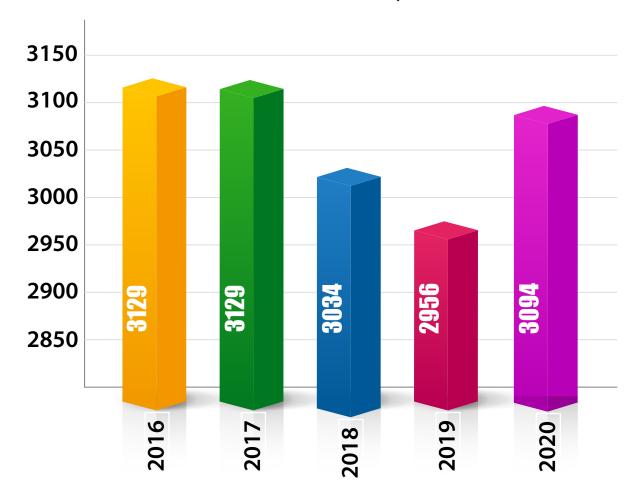


BALANCE SHEET (HIGHLIGHTS)				
In Million EGP	30/06/2019	30/06/2020		
Assets				
Non Current Assets Cash & Cash Equivalent Accounts Receivable Inventory Other Current Assets	3,627 542 223 42 536	3,852 361 180 5 451		
Total Assets	4,970	4849		
Liabilities				
Accounts Payable Accrued Expenses Dividends Current Portion Long Term Debt Over Drafts Other Current Liabilities Total Non-Current Liabilities	209 35 66 227 508 182 403	211 52 202 119 474 219 251		
Total Liabilities	1,528	929		
Total Shareholder's Equity	3,442	3920		





A GROWTH STRATEGY 2020/Million EGP 3094



INCOME STATEMENT (HIGHLIGHTS)

(In Million EGP)	6/30/2019	6/30/2020
Revenue	1,704	1,253
Expenses	(1,282)	(894)
Total Earnings Before Tax	422	359
Corporate Income Tax	(43)	(37)
Net Income	379	322

Our Resources ... Our Treasures We Strive To Make The Most Of What We Have

ACKNOWLEDGEMENT

In recognition of the resilient efforts of Eng. **Tarek El Molla**Minister of Petroleum & Mineral Resources to develop a sophisticated petrochemicals industry in Egypt.

Echem Management & Board of Directors would like to express their deep appreciation and sincere gratitude for the genuine support extended to meet company objectives in serving the National Economy.





EGYPTIAN PETROCHEMICALS HOLDING COMPANY

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