

Camel Flour Mills (member of AlMoatbar Group) enhances its position in Egypt with the acquisition of Five Stars milling Group

The landmark transaction enhances Camel Flour Mills' operational capabilities through expanded production capacity, advanced technology, and integrated storage solutions.

Cairo 1<sup>st</sup> of November 2022. Camel Flour Mills (“**CFM**”) announced it has completed the acquisition of a majority stake in Five Stars group of companies (“**Five Stars**”) - comprising Five Stars Flour Mills & Five Stars Feed & Animal Produce. Five Stars is a well-established player in Egypt's flour milling sector, known for its flour products quality. The acquisition complements CFM's existing operations and supports the continued development of its milling and its activities in Egypt... Five Stars brings integrated and fully automated storage, milling, mixing, and packaging operations in its state-of-the-art facility in Suez, in addition to its automated port-integrated grain loading and unloading facilities. The unique location also serves as a primary hub for receiving and handling high quality Australian Wheat, as well as exporting hub to the African continent. “We are very excited about the prospects of our new platform. We are committed to building one of Egypt's most successful industrial groups serving a critical and vital sector for Egypt's national food security,” said Mohamed Al Moatbar, Executive Chairman of CFM. “As Egyptian investors, we take great pride in advancing local industrial capabilities, contributing to the nation's economic prosperity and stability. We are strongly supporting the government's economic aspirations and contributing to the creation of employment opportunities for our youth and young professionals. Furthermore, we are working towards establishing the region's first milling institute – aiming to train and graduate top calibers and cementing Egypt's leadership in the sector, supported by our expansive network of global leaders and partners in the milling sector.” Five Stars, setup by a group of international and local investors, was one of the most successful milling operators in Egypt until its journey was hurdled by financial challenges, particularly due to significant FX exposures. The complex acquisition involved, in addition to the challenges of concluding agreements with the sellers, significant debt restructuring and settlement with major banks – a successful closure and all-party-win for all the stakeholders. The transaction's advisory team included Zulficar & Partners law firm, Ripples Impact, EFG-Hermes Brokerage, Moore Egypt & others. “This is a landmark transaction by all measures”, commented Mona Zulficar, Founding Partner of Zulficar & Partners law firm – the transaction advisor. “This was not just a complex M & A transaction to acquire the shares of the two distressed companies and restructure banks' debt, but a mission to salvage a major industrial asset, supporting our national economy, and protecting

the livelihoods of thousands of workers and their families.” Walid Bakr, Founding Partner of Ripples Impact - the investment and financial advisor for the transaction, also commented, “We’re excited to see this journey coming to successful completion – as this was one of the most important and complex acquisition transactions in the past period. This was a mission that meant a lot to all stakeholders, and we offer our sincere gratitude to all who contributed to its success – the investor, advisors, banks, and the devoted and committed government agencies”. Following the closing of the transaction, work is already underway to bring Five Stars to optimal operating efficiency and its full integration within CFM’s group.