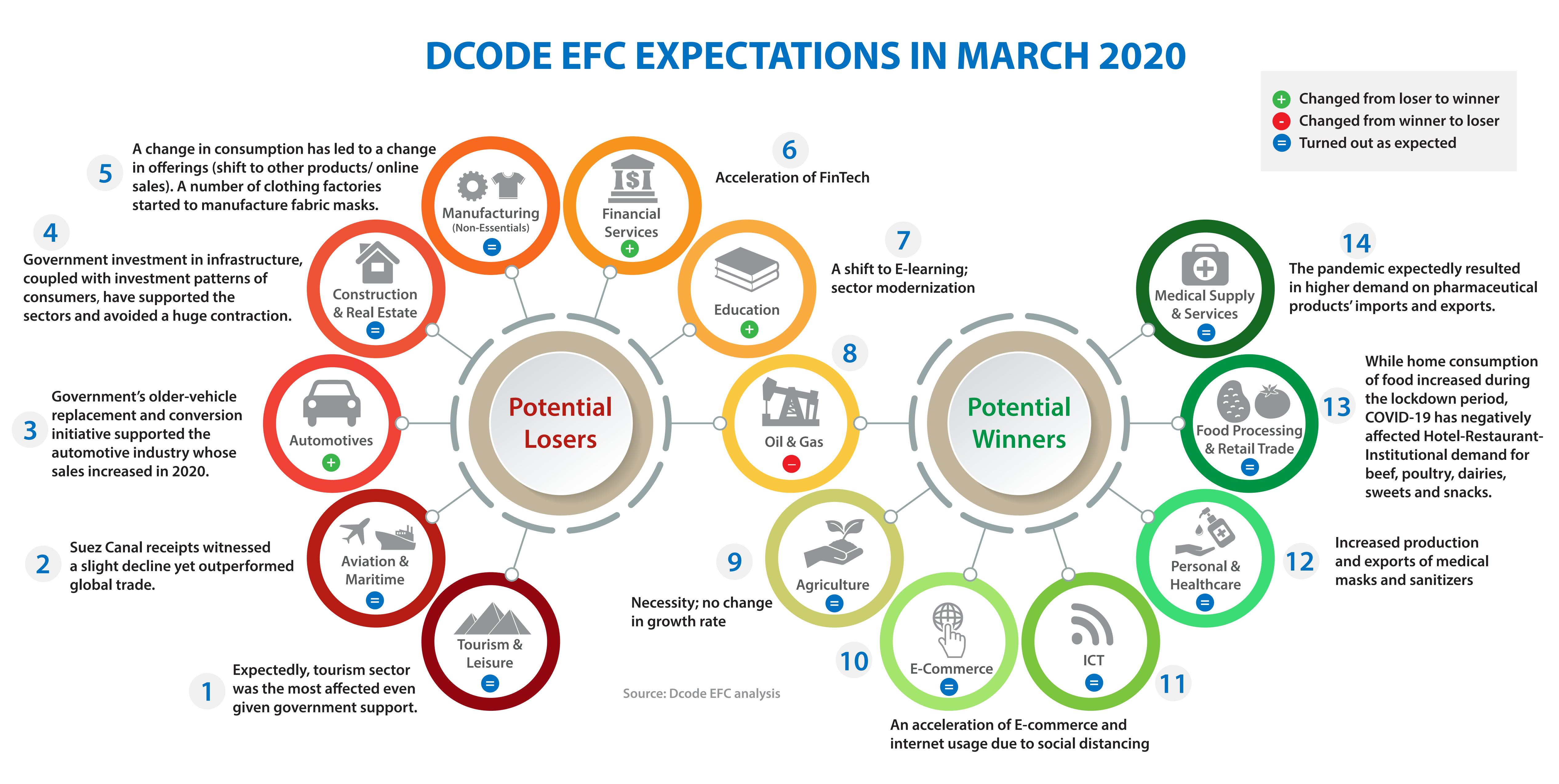
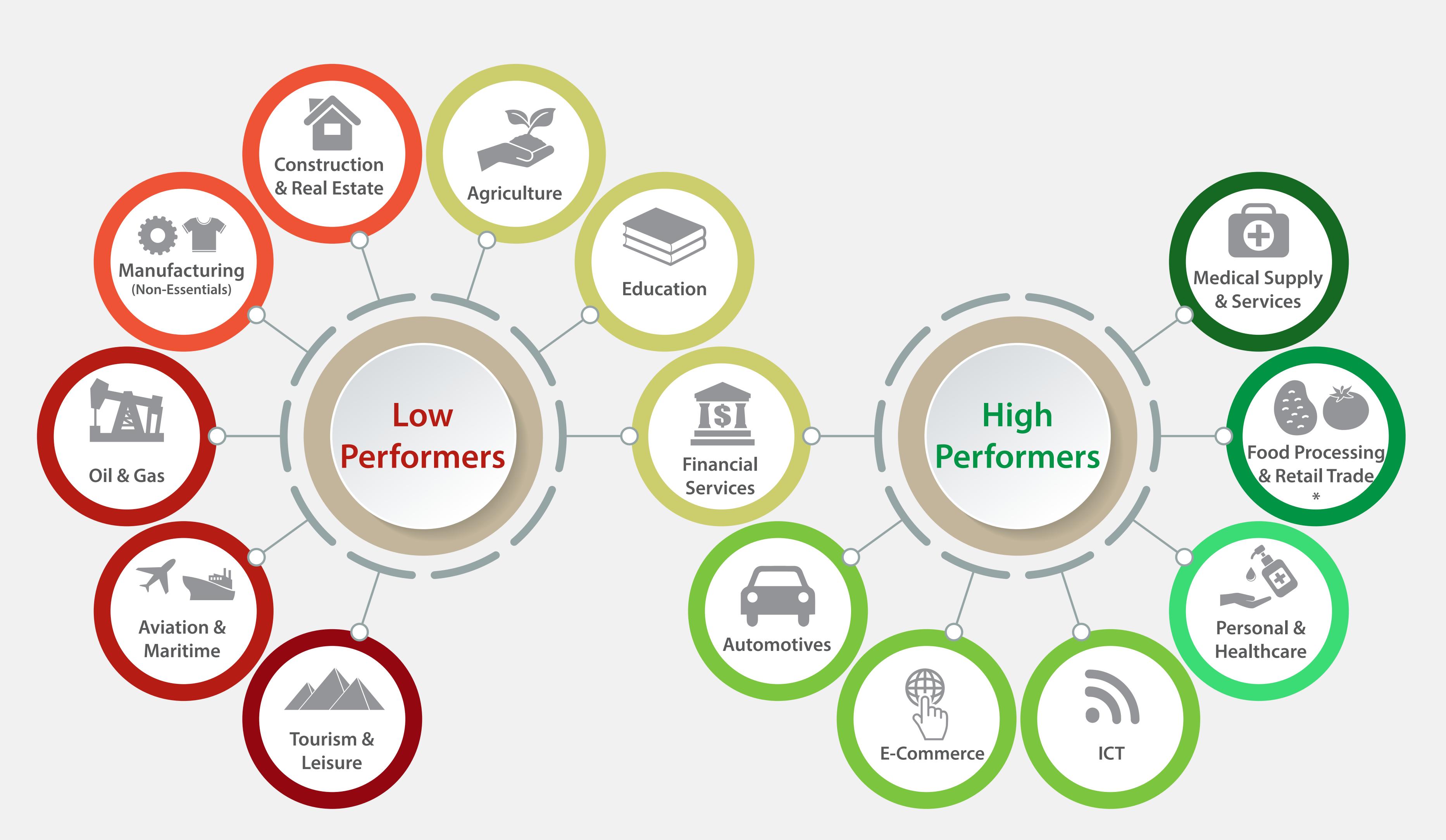
DECODING THE ECONOMICS OF COVID-19

MORE THAN ONE YEAR LATER: HOW DID ECONOMIC SECTORS FARE SINCE THE BEGINNING OF THE PANDEMIC?

In March 2020, at the onset of the pandemic in Egypt, Dcode EFC had identified the below potential "winning/ losing" sectors based on a qualitative and quantitative assessment of potential COVID-19 impacts thereon. One year later, we look at the actual performance of these sectors versus expectations, while shedding a light on government support measures as well as digitalization efforts that have helped keep some of them afloat. Overall, 10 out of 14 sectors turned out as expected (71%). Meanwhile, three sectors have beaten expectations as discussed below; and only oil & gas performed below expectations with the lower global and local demand which led to lower oil prices and production.



WHAT ACTUALLY HAPPENED



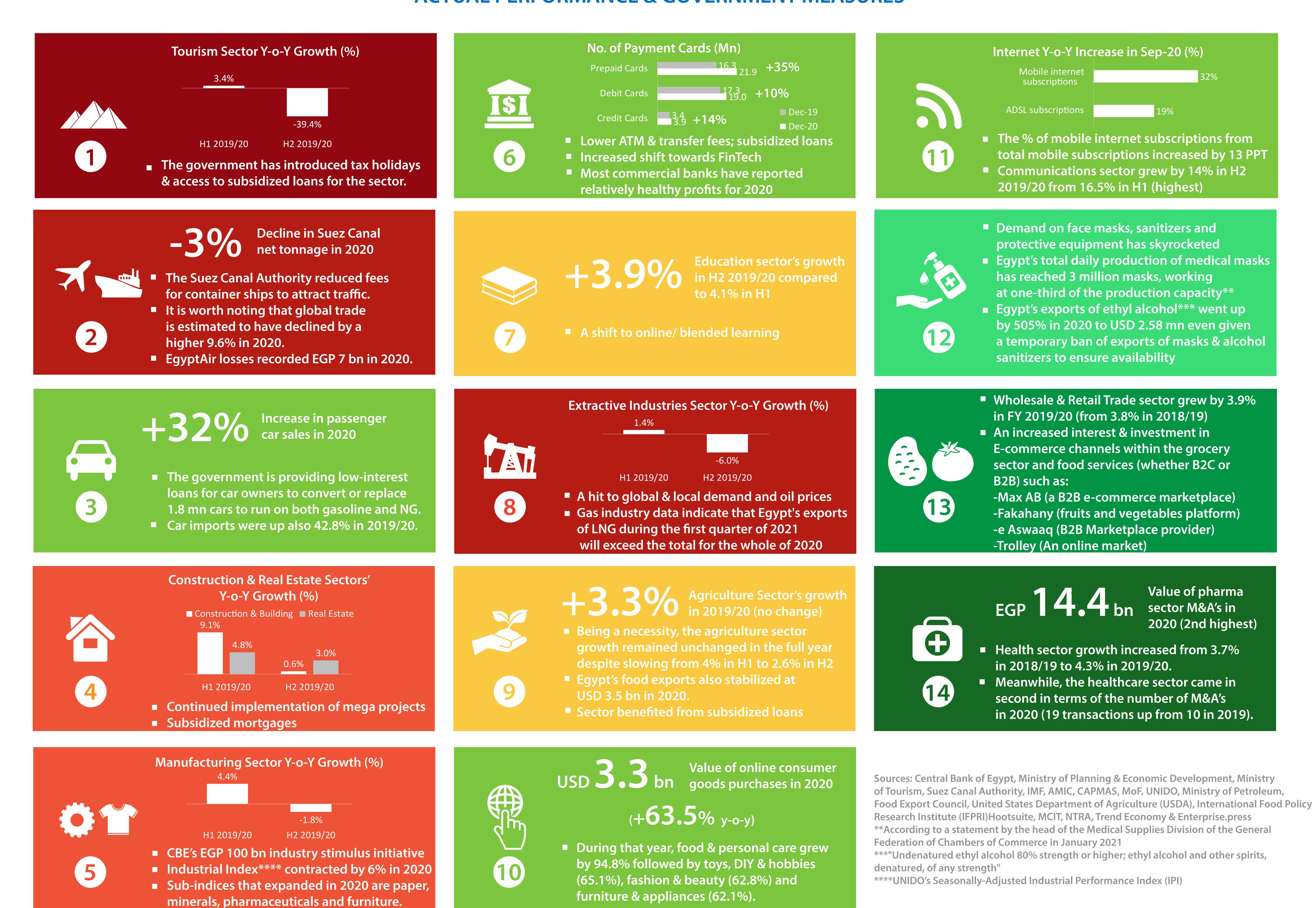
In the following page, we look into more details on each sector's actual performance, government support measures and how digitalization has touched upon almost all sectors, contributing to their performance.

*It is worth noting that according to the International Food Policy Research Institute (IFPRI), some food processors have benefitted from COVID-19 while others' losses were relatively small.

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ACTUAL PERFORMANCE & GOVERNMENT MEASURES



DIGITALIZATION HAS TOUCHED UPON ALMOST ALL SECTORS WHICH CONTRIBUTED TO THEIR PERFORMANCE

According to global reports, the COVID-19 pandemic and the need for social distancing and contactless experiences has accelerated the use of digital technologies worldwide. It has also resulted in the digitization of companies' processes at almost every stage of their value chains including customer interactions and supply chains, among other operations. The same is happening in Egypt, whereby the digital transformation is being witnessed in almost all sectors. Below are some examples.



*Including the USD 25 mn Disruptech, and the CBE's EGP 1 bn FinTech fund in 2020. VCs made commitments to 12 FinTech outfits in 2020.

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