



Edita inks contract to purchase land for new factory

New plot of land in Sixth of October City is minutes from existing E07 plant; will allow Edita to introduce new product lines

Cairo, 20 May 2015

Edita Food Industries S.A.E. (EFID on the Egyptian Exchange and EFIDq on London Stock Exchange), a leader in the Egyptian packaged snack food market with number-one market shares in its core cake and croissant segments, has finalized an agreement to acquire c. 55,000 square meters of land in Sixth of October City's Polaris Al-Zamil district. The transaction is valued at c. EGP 45 million.

The company will use the land, which falls in close proximity to its E07 plant, to build a new factory.

Commenting on the transaction, **Edita Chairman and Managing Director Hani Berzi** said: "The new E08 factory will allow us to both expand our current product offering through the introduction of variants on existing products and, in parallel, give us the space we need to begin manufacturing new Hostess Brands products for which we have acquired the production rights and technical know-how."

Edita recently announced an agreement with Hostess Brands LLC to expand Edita's ownership of its Hoho's, Twinkies and Tiger Tail brands ("HTT") to 12 new countries across the Middle East and North Africa while also acquiring the right to manufacture and market 11 other Hostess Brands on a regional basis.

The E08 facility will be home to c. 10-11 new production lines. Edita has begun design and layout work, with a view to a potential start to construction by year's end. The new facility could begin operations as early as 4Q2016.

"Edita continues to pursue opportunities to create new shareholder value through expansion opportunities that will both allow us to enhance our position in our home market while beginning to directly enter key regional territories," Berzi concluded.

Edita holds number-one market positions in Egypt in its core cake and croissant segments and a number-two market position in rusks. In 1Q 2015, Edita recorded revenues of EGP 528.9 million, EBITDA of EGP 105.2 million (19.9% margin) and reported a net profit of EGP 59.5 million.

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About Edita Food Industries S.A.E.

Edita, founded in 1996 and headquartered in Egypt, is a leader in the growing Egyptian packaged snack food market. The Company manufactures, markets and distributes a range of branded baked snack products including packaged cakes, croissants, rusks (baked wheat), and wafers as well as selected confectionary/candy products. The Company's local brand portfolio includes household names such as *Todo*, *Molto*, *Bake Rolz*, *Bake Stix*, *Freska* and *MiMix*. The Company also has the exclusive ownership of the international HTT brands *Twinkies*, *Hoho's* and *Tiger Tail* in Egypt, Libya, Jordan, Palestine, Morocco, Algeria, Tunisia, Syria, Lebanon, Iraq, Bahrain, Oman, the UAE, Kuwait, Qatar and Saudi Arabia; and is party to a technical assistance and know-how agreement to manufacture 11 additional HTT brands across its territories. The Company holds strong number-one market positions in its core cake and croissant segments, a number-two market position in rusks, and growing market positions in the wafers and candy segments. In 1Q2015, the Company derived c.94% of its revenue from Egypt and c.6% from over 11 regional export markets. Learn more at ir.edita.com.eg.



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