



Edita Food Industries Reports FY2019 Earnings

Edita closes the year recording a 19.3% y-o-y rise in net profits to EGP 362.3 million in FY2019 driven by continuous product mix enhancement and improved gross profitability; revenues for the year grew 6.6% y-o-y to EGP 4,025.3 million.

Cairo, 26 February 2020

Edita Food Industries S.A.E. (EFID.CA on the Egyptian Exchange & EFID.L on the London Stock Exchange), a leader in the Egyptian packaged snack food market, announced today its results for the year ended 31 December 2019, reporting a 6.6% y-o-y rise in revenues to EGP 4,025.3 million. Net profit was up a solid 19.3% y-o-y to EGP 362.3 million in FY2019.

Top-line growth for the year was driven by higher volumes and improved price mix. All of Edita's segments, recorded higher volumes for the year with the rusks, wafers and bakery segments delivering strong double-digit growth in revenues.

Edita delivered strong gross profit growth of 17.4% y-o-y to EGP 1,422.3 million, and a 3.3 percentage points expansion in gross profit margin (GPM) to 35.3% for FY2019, up from 32.1% in FY2018. On a quarterly basis, Edita's gross profit recorded EGP 400.8 million in 4Q2019, with a gross profit margin of 36.7% compared to 35.8% in the same quarter a year ago.

On the exports front, Edita recorded gross export sales of EGP 343.5 million in FY2019, and contributing 8.5% to total revenues. On a quarterly basis, gross exports sales increased 16.2% y-o-y to EGP 104.4 million in 4Q2019, with the channel's contribution to revenue standing at 9.5% compared to 8.2% in the same period of 2018.

Commenting on Edita's outlook, Chairman and Managing Director Eng. Hani Berzi said: "We're heading into 2020 ready to build on the foundations laid over the last twelve months to drive sustainable revenue growth and expand across the local and regional snack food markets. Locally, we will continue rolling out new innovative propositions that offer our consumers great value for money and best cater to their preferences and trends in tastes. In parallel, Edita will invest to further enhance its distribution capabilities to help extend our reach and grow our market share. Finally, on the regional front, we are making good progress with the buildout of our manufacturing facility in Morocco which kicked off in 4Q2019, and we expect operations there to commence during 2020."

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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 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 FY2019, the Company derived c.91.5% of its revenue from Egypt and c.8.5% from regional export markets. Learn more at ir.edita.com.eg.

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Forward-looking statements reflect the current views of the Company's management ("Management") on future events, which are based on the assumptions of the Management and involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The occurrence or non-occurrence of an assumption could cause the Company's actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements.

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