



Edita Food Industries Signs an Agreement to Acquire 100% of Fancy Foods, Marking its Entry into the Frozen Bakery Segment in Egypt

Edita enters the frozen bakery segment with an acquisition of Fancy Foods with an enterprise value of EGP 380 million. The acquisition marks a solid step in creating new revenue streams and expanding into a high-growth potential segment in Egypt.

Cairo, 30 May 2023

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 that it is entering the frozen bakery segment in Egypt through the acquisition of Fancy Foods.

Building upon the Company's track-record of creating successful and leading brands, the transaction is supported by Edita's superior research and innovation capabilities. The penetration of the frozen bakery segment, enabled by the Company's large-scale infrastructure and adaptive business model, will allow Edita to capture untapped demand for fresh and ready-to-bake pastry products, expanding the Company's reach into consumer homes. Edita will play a pivotal role in growing the Egyptian frozen bakery market, a lucrative segment that to date remains underpenetrated and out of step with consumer needs for affordable and ready-to-bake items.

Commenting on the transaction, Edita Chairman Eng. Hani Berzi said: "Edita recognizes the tremendous potential in the Egyptian frozen bakery market and is committed to the long-term growth of this segment. Through our experience and benchmarking of comparable markets, this opportunity creates unbound synergies that will help us deliver significant value to customers and shareholders alike. Edita's extensive distribution network and trusted brands will play a key role in boosting penetration and increasing market share as the Company expands into a new segment and offers consumers a unique value proposition. The deal equips the Company with the necessary frozen technology infrastructure, marking a significant



step in applying our R&D to complementary ventures, while capitalizing on our market-leading portfolio of proprietary brands,” Berzi concluded.

The investment entails a 100% acquisition of assets, encompassing two full production lines and other machinery, in addition to land, property and a distribution arm. Furthermore, as part of the agreement Edita has acquired the technical know-how and recipes for a range of frozen bakery SKUs.

Investment bank, Zilla Capital, served as a financial advisor to Edita on the transaction, while the MENA-based law firm of Matouk Bassiouny served as legal counsel.

—Ends—

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, bakery, rusks (baked wheat), wafers and biscuits 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, Oniro and MiMix. The Company also has the exclusive ownership of the international Hostess 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 Hostess brands across its territories. The Company holds strong number-one market positions in its core cake and bakery segments as well as in rusks, a leading market position in candy and a growing market position in the wafers segment. In 1Q2023, the Company derived 91.0% of its revenue from Egypt and 9.0% from regional export markets. Learn more at ir.edita.com.eg.

Contacts

Ms. Menna Shams El Din

Head of Investor Relations & Corporate Affairs

T: +202 3851-6464 | M: +2010 0 154 2428 | menna.shamseldin@edita.com.eg

Forward-Looking Statements

This communication contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be



identified by the use of such words and phrases as “according to estimates”, “aims”, “anticipates”, “assumes”, “believes”, “could”, “estimates”, “expects”, “forecasts”, “intends”, “is of the opinion”, “may”, “plans”, “potential”, “predicts”, “projects”, “should”, “to the knowledge of”, “will”, “would” or, in each case their negatives or other similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans, or expectations regarding business and management, future growth or profitability and general economic and regulatory conditions and other matters affecting the Company.

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.

The Company’s business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to differ materially from those expressed or implied by the forward-looking statements contained in this prospectus. The information, opinions and forward-looking statements contained in this communication speak only as at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this communication.