

Eastern Company S.A.E. and Japan Tobacco International Renew Strategic Partnership to Boost Egypt's Tobacco Industry

Cairo - October 17th, 2024 - Eastern Company S.A.E. (Eastern Co.) and Japan Tobacco International (JTI) have extended their strategic manufacturing partnership for another three years, aiming to drive the development of Egypt's tobacco industry. This renewed agreement focuses on enhancing local production and expanding product offerings to better meet consumer demand, while also improving operational efficiency.

The agreement was signed at the Eastern Co. headquarters in the Sixth of October industrial area by Mr. Hany Aman, CEO and Managing Director of Eastern Co., and Ms. Mariana Magdy, General Manager of JTI Egypt, in the presence of Engineer Tamer Gadalla, Chairman of Eastern Co., and Mr. Vassilis Vovos, Deputy Chief Financial Officer at JTI

In this context, Mariana Magdy, General Manager of JTI Egypt, emphasized the importance of the partnership, "This renewed cooperation is a key milestone in the development of Egypt's tobacco sector. It showcases our commitment to advancing local production to the highest quality standards. We are confident that this partnership will enhance both companies' competitiveness on local and international levels, while catering to the growing and diverse preferences of Egyptian consumers".

Vassilis Vovos, Deputy Chief Financial Officer at JTI, highlighted the significance of the agreement, stating, "Renewing our partnership aligns with JTI's strategic plans to strengthen our presence in Egypt - which is one of the largest tobacco markets in the region. This collaboration merges JTI's global expertise with Eastern Co.'s strong production capabilities. Together, we aim to improve operational efficiency and boost our competitiveness in a rapidly evolving market".

Hany Aman, CEO and Managing Director of Eastern Company said: "The company's management adopts a strategy to maximize shareholder returns by boosting production, both through its own products and through contract manufacturing deals with leading global companies. The management has successfully renewed manufacturing contracts for JTI products for the tenth consecutive year, which will drive increased revenue and provide diversified sources of foreign currency needed to import raw materials".

Aman also placed emphasis on the vast manufacturing capabilities of Eastern Co.'s facility in Sixth of October, which is well-positioned to attract further investments due to its extensive production capacity and adherence to high-quality standards while maintaining environmental sustainability. This production capacity enhances Eastern Co.'s ability to meet manufacturing needs for other brands and execute future plans to expand production of various tobacco products.

Both companies reaffirmed their dedication to supporting government efforts to combat smuggling and increase transparency within the tobacco market. They are committed to ensuring the availability of a broad range of tobacco products, fostering a fair and competitive environment.

This partnership is also expected to further boost JTI's investments in Egypt and streamline manufacturing processes at Eastern Co.'s facilities, supporting both companies' plans to ramp up local production and introduce new products to the Egyptian market.

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