

السادة/ البورصة المصرية- ادارة الاصحاح

تحية طيبة وبعد ،،

ننشرف أن نرفق لسيادتكم بيان من شركة كونكريت فاشون جروب للاستثمارات التجارية والصناعية
ش.م.م بخصوص نتائج اعمال الشركة عن التسعة أشهر الأولى من السنة المالية المنتهية في

ديسمبر 2024

وذلك التزاماً منا بتطبيق قواعد الاصحاح والشفافية

وتفضلاً بقبول فائق الاحترام،،

شركة كونكريت فاشون جروب للاستثمارات التجارية والصناعية

مدير علاقات المستثمرين

نور هان ز عزوز





Concrete Fashion Group

9M 2024 Earnings Report



Concrete Fashion Group Reports 9M 2024¹ Results

The Group maintained its positive trajectory in the third quarter of 2024, reporting consolidated net sales of USD 102.0 million in 9M 2024, alongside notable improvements across all key measures of profitability. In parallel, the Group continued to lay strong foundations for sustained growth in the future, securing new partnerships and deepening existing ones at the manufacturing segment, expanding its portfolio to include the Group's first-ever women's line, while also making substantial progress on its local and international expansion at the retail segment.

Cairo, Egypt | 15 December 2024

Concrete Fashion Group for Commercial and Industrial Investments S.A.E ("Concrete Fashion Group" or "CFG" or "the Group"), Egypt's leading luxury apparel manufacturer, retailer, and exporter, announced today its audited financial statements and operational results for the nine months ending 30 September 2024 (9M 2024). It is important to note that following its extraordinary general meeting held on 12 June 2024, the Group has changed its financial year to run from 1 January to 31 December. In the nine months ending 30 September 2024, the Group recorded consolidated² net sales of USD 102.0 million. Profitability continued to improve, with consolidated EBITDA reaching USD 29.2 million, representing a strong 64.2% y-o-y increase and resulting in a margin of 28.7% versus 17.3% in 9M 2023. Net profit from continued operations for 9M 2024 totaled USD 11.7 million, marking a significant turnaround from the net loss of USD 474 thousand recorded in 9M 2023. The turnaround was even more evident when compared to the net loss after discontinued operations of USD 3.4 million recorded in 9M 2023. Similarly, the Group's net profit margin improved notably to 11.5%. The remarkable improvement in bottom-line profitability further highlights the effectiveness of the Group's strategies post-demergers and the potential of the business going forward.

| Summary Income Statement (USD mn) | 9M 2023 | 9M 2024 | Change |
|---|--------------|--------------|--------------|
| Net Sales | 103.2 | 102.0 | -1.1% |
| Cost of Goods Sold | (71.3) | (62.0) | -13.1% |
| EBITDA³ | 17.8 | 29.2 | 64.2% |
| <i>EBITDA Margin (%)</i> | 17.3% | 28.7% | 11.4 pts. |
| Operating Profit | 14.2 | 24.4 | 71.4% |
| <i>Operating Profit Margin (%)</i> | 13.8% | 23.9% | 10.1 pts. |
| Net Profit from Continued Operations | (0.5) | 11.7 | - |
| <i>Net Profit Margin (%)</i> | -0.5% | 11.5% | 12.0 pts. |

Key Highlights

- On 24 March 2024, the Group announced the **successful conclusion of the demerger process** from Arafa Holding and the beginning of trading on Group's stock under the ticker CFGH.
- On 12 June 2024, the Group approved the **change of its financial year** to run from 1 January to 31 December.
- Consolidated net sales** for 9M 2024 reached USD 102.0 million, down marginally compared to USD 103.2 million in 9M 2023.

¹ Following the Group's Extraordinary General Meeting held on 12 June 2024, CFG has changed its financial year to run from 1 January to 31 December. The Group's financial year previously ran from 1 February to 31 January.

² Consolidated results exclude intercompany transactions for all periods.

³ EBITDA is calculated as operating profit for the period plus depreciation, amortization, provisions, and expected credit losses (ECL).

- The **retail segment**, which includes results from Concrete and Euromed, generated consolidated⁴ net sales of USD 18.4 million, a 6.3% y-o-y decline, attributable to the impact of a lower EGP on the segment's USD-denominated results. However, **in EGP terms**, retail net sales saw a robust 29.3% y-o-y expansion, supported by an impressive 21.3% y-o-y increase in volumes sold at the Group's flagship Concrete brand. It is worth highlighting that the Group's Concrete brand delivered year-on-year growth in both USD and local currency terms during the nine-month period, while Euromed results were impacted by the delayed delivery of a uniform tender which will be delivered during Q4 2024.
- Meanwhile, the **manufacturing segment** which includes results from the Group's suits and jackets manufacturing business units Swiss Garments Company (SGC) and Egypt Tailoring Company (ETC), its shirts manufacturing business unit Cristall for Making Shirts (Cristall), and its trousers manufacturing business unit Swiss Cotton Garments Company (SCGC), recorded consolidated net sales of USD 83.7 million, up 0.1% y-o-y supported by robust growth during Q3 2024 on the back of strong business with US clients and improved orders from European clients. Momentum at the segment is set to continue in the final quarter of the year as orders pick up further.
- **Consolidated EBITDA** climbed by 64.2% y-o-y to USD 29.2 million, with the EBITDA margin rising to 28.7% from 17.3% in 9M 2023. The growth in profitability was mainly attributed to better cost management in both COGS and SG&A. More specifically, COGS saw a reduction compared to the previous year with an improved ratio to net sales recording 60.8% in 9M 2024 versus 69.1% in 9M 2023. Similarly, SG&A expenses also decreased, highlighting the effectiveness of the Group's cost-reduction initiatives.
- **Operating profit** reached USD 24.4 million, up 71.4% y-o-y, with an operating profit margin of 23.9% compared to 13.8% in 9M 2023.
- **Net financing costs** declined by 8.2% y-o-y to USD 12.5 million in 9M 2024, compared to USD 13.6 million in 9M 2023.
- The Group achieved a **net profit from continued operations** of USD 11.7 million in 9M 2024 compared to a net loss from continued operations of USD 0.5 million during 9M 2023. The year-on-year turnaround was even more impressive when looking at last year's net loss after discontinued operations which stood at USD 3.4 million for 9M 2023. Additionally, the Group's net profit margin showed substantial improvement, reaching 11.5% in 9M 2024.



⁴ Consolidated results exclude intercompany transactions for all periods.

Management Comment

Dear shareholders,

As we approach the end of 2024, I am proud of all that Concrete Fashion Group has achieved during its first year as a standalone company. The past year was one marked by continued macroeconomic difficulties in our home market of Egypt and across several of our main export markets, as well as significant geopolitical challenges across the region. Despite these headwinds, we demonstrated the adaptability of our business model and the effectiveness of our growth strategies, delivering impressive improvements in profitability while laying the foundations for accelerated growth in the coming years.

Turning to our latest performance, at the retail segment, we reported a strong 29.3% y-o-y net sales expansion in local currency terms. In USD terms we managed to report only a marginal year-on-year decline despite a weaker EGP weighing down on the segment's USD-denominated results for the nine-month period. The continued growth of our retail business has been supported by a multi-pronged strategy focused on three core pillars: diversifying our product offering, expanding our branch network both locally and internationally, and continuing to strengthen our brand presence. As part of our ongoing efforts to diversify our offering and expand brand awareness, we celebrated the brand's 35th anniversary by launching the "She Evolution Capsule" fashion show at the prestigious annual Gouna Film Festival. This marked the introduction of our first-ever women's wear collection, a significant milestone which reflects both the innovative spirit which has characterized Concrete since its inception as well as our commitment to broadening our reach across new market segments as we look to future-proof our retail business. The market's reception has been overwhelmingly positive, further validating our strategy. Building on this, we expect to have a complete women's wear collection in stores starting from the summer and winter 2025 lines. At the same time, in line with our international growth ambitions, we took several steps forward on the launch of our first full-fledged international Concrete store in Abu Dhabi's Al Reem Mall, which is expected to begin operations in Q2 2025. This follows the successful launch of online stores across four regional markets including Saudi Arabia, the UAE, Qatar, and Kuwait earlier in the year. Adding to that, Concrete is currently establishing new subsidiaries in Saudi Arabia and Oman and is exploring new locations to further expand our physical store network across both the UAE, and particularly Dubai, as well as Saudi Arabia. Meanwhile, on the local front, we continued to expand our footprint with the launch of two new branches in East Cairo (in 5A and Sodic East), which we completed during Q3 2024. This takes the number of new branch openings during 2024 to seven stores and our total Concrete branch network up to 53 stores as of 30 September 2024.

Meanwhile, results at our manufacturing segment started to show strong signs of sustained improvement during the third quarter of the year supported by strong business with Brooks Brothers and United Airlines, as well as improved orders from our European customers including Massimo Dutti, Armani, and Boggi. It is worth noting that our 10th of Ramadan facilities have recently started shipping the first women's wear products to Brooks Brothers, opening up an important avenue of future growth for the Group. Next year we expect to see sales generated by our 10th of Ramadan facilities accelerate supported by the return of suit orders from Peerless and Mango, the expansion of orders from Ralph Lauren, Boggi, and Armani, as well as important developments with key Turkish clients including Gurmen. On a similar note, our Beni Suef facilities are continuing to make considerable progress, with planned portfolio expansions focused on new markets including the UK, Spain, and Scandinavia. Going forward, sales will be further propped up by the expansion of business with existing clients as our women's wear manufacturing ramps up. Our ability to expand business with existing clients and secure new customers reflects both our superior quality and client experience as well as Egypt's newly found cost-competitiveness which has seen a growing number of global brands look at the Egyptian market with increasing interest since the EGP floatation in March 2024.

At the consolidated level, our net sales for 9M 2024 reached USD 102.0 million, reflecting a marginal decline from the previous year. It is worth flagging that our consolidated results for the period include USD 1.8 million net revenue from the sale of investments at fair value. Meanwhile, the Group witnessed strong improvements in profitability, with EBITDA rising to USD 29.2 million, a 64.2% increase compared to last year. Our EBITDA margin also improved notably, recording 28.7% in 9M 2024, up from 17.3% in 9M 2023. Improved EBITDA profitability primarily reflects our

cost-optimization efforts which resulted in substantial reductions in COGS and SG&A expenses during 9M 2024. Further down the income statement, consolidated net profit from continued operation recorded USD 11.7 million, a remarkable turnaround from the USD 474 thousand net loss recorded in the corresponding period of last year. The turnaround was even more evident when comparing this latest period's results with the net loss after discontinued operations of USD 3.4 million recorded in the corresponding nine-month period of 2023. Finally, it is also worth highlighting that in line with our deleveraging strategy, during the third quarter of the year, we successfully brought our total debt down to USD 125.4 million, a figure we expect to see decline further in the coming months.

Looking ahead to the final quarter of 2024 and into 2025, our priorities will continue to center on executing our retail expansion strategy, strengthening our manufacturing operations, expanding our client portfolio, diversifying our product offering, and upholding our commitment to excellence across all markets. We remain cautiously optimistic about the coming year, confident that an improving macroeconomic situation at home and our regional expansion efforts will position us for accelerated growth in 2025 and beyond. Heading into the new year, our number one priority remains generating incremental value for our shareholders, customers, and communities alike. As an industry leader and trendsetter, our commitment extends beyond the creation of world-class clothing and encompasses the adherence to sustainable business practices across all areas of our operations to ensure we minimize our impact on the planet while maximizing our positive impact on all stakeholders.

Dr. Alaa Arafa

Vice Chairperson and Chief Executive Officer



Consolidated⁵ Analysis



Net sales for the nine-month period ended 30 September 2024 reached USD 102.0 million compared to USD 103.2 million in 9M 2023. Despite the marginal year-on-year decline, it is important to highlight that the manufacturing reported a strong third quarter with the Group recording growing orders from both key European and American clients. Meanwhile, on the retail front, lower net sales reflected the impact of a weaker EGP on the segment's USD-denominated results. Notably, in EGP terms, consolidated net sales rose significantly by 29.3% y-o-y, supported by strong volume growth at the Group's flagship Concrete brand. Finally, it is worth mentioning that at the holding level, the Group booked USD 1.8 million from the sale of investments at fair value.

Cost of goods sold (COGS) totaled USD 62.0 million in 9M 2024, representing a 13.1% decline from USD 71.3 million in the same period of 2023. As a percentage of net sales, COGS improved to 60.8% in 9M 2024, down from 69.1% in 9M 2023. Similarly, **Selling, General, and Administrative (SG&A) expenses** decreased by 11.0% y-o-y to USD 12.1 million, reflecting the success of a Group-wide initiative to streamline costs. Additionally, **other operating expenses** declined to USD 0.9 million during 9M 2024, a decrease of 8.8% y-o-y.

EBITDA rose significantly to USD 29.2 million in 9M 2024, reflecting an impressive 64.2% y-o-y increase, with its associated margin improving to 28.7% from 17.3% in the same period of 2023. Similarly, **operating profit** for the nine-month period climbed to USD 24.4 million, up by 71.4% y-o-y. Operating profit margin also improved notably, reaching 23.9% in 9M 2024 compared to 13.8% in 9M 2023.

Net finance costs for the period recorded USD 12.5 million, down 8.2% from USD 13.6 million in the same nine months of last year.

The Group delivered a **net profit from continued operations** of USD 11.7 million in 9M 2024, representing a significant improvement from the net loss from continued operations of USD 474 thousand recorded in 9M 2023. The improvement was even more stark when compared to the net loss after discontinued operations of USD 3.4 million recorded in 9M 2023. Similarly, net profit margin for the nine-month period reached 11.5% in 9M 2024, further highlighting the substantial turnaround delivered by CFG's management post demerger.

Receivables on 30 September 2024 stood at USD 48.9 million versus the USD 40.2 million figure recorded on 31 January 2023. Meanwhile, **inventory** balances recorded USD 92.6 million at the end of 30 September 2024, from USD 95.6 million in inventories booked on 31 January 2024. Finally, **cash and**

⁵ Consolidated results exclude intercompany transactions for all periods.

cash equivalents recorded USD 6.1 million during the period, compared to USD 10.5 million at the end of January 2024.

On the liabilities front, Concrete Fashion Group's **total debt** on 30 September 2024 recorded USD 125.4 million down from the USD 128.5 million figure recorded at the end of January 2024. Finally, the Group's net debt to annualized EBITDA stood at 3.1x at the end of 9M 2024.



Segmental Analysis



Retail

The Group's retail segment includes results from its retail business units Concrete and Euromed. Concrete is considered the largest homegrown premium fashion house in Egypt with 53⁶ stores located across Egypt. Meanwhile, Euromed is the country's main wholesale and uniform platform catering to the largest and most complex wholesale and uniform operations in Egypt.

* Contribution of manufacturing business to Group's consolidated net sales of USD102.0 million in 9M 2024.

In the first nine months of 2024, the Group's retail segment achieved consolidated⁷ net sales of USD 18.4 million, representing a 6.3% decline from the prior year and reflecting the impact of a weaker EGP on the segment's USD-denominated results (the average EGP to USD exchange rate during 9M 2024 stood at 42.74 EGP to the USD, significantly above the 30.96 EGP to USD recorded in 9M 2023⁸). Meanwhile, in EGP terms, retail net sales rose by 29.3% y-o-y, driven by a strong performance at Concrete which saw its sale volumes rise 21.3% y-o-y. It is worth highlighting that the Group's Concrete brand delivered year-on-year growth in both USD and local currency terms during the nine-month period, while Euromed results were impacted by a delay in the delivery of a uniform tender which will be delivered during the final quarter of the year. The consistent growth delivered by the Concrete brand in both local and USD terms highlights the effectiveness of the Group's sales initiatives, which have successfully attracted new customers to business.

Looking at profitability, the segment delivered a consolidated EBITDA of USD 8.5 million in 9M 2024, reflecting a 5.0% y-o-y increase, with the margin improving to 46.5% from 41.4% in 9M 2023. Similarly, consolidated operating profit rose to USD 6.9 million, an 8.0% y-o-y increase. Finally, net profit saw substantial growth, climbing 9.6% y-o-y to USD 4.4 million compared to USD 4.1 million in 9M 2023.

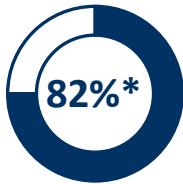
| Summary Consolidated Income Statement (USD mn) | 9M 2023 | 9M 2024 | Change |
|--|--------------|--------------|-----------------|
| Net Sales | 19.6 | 18.4 | -6.3% |
| Cost of Goods Sold | (6.1) | (4.0) | -35.0% |
| EBITDA⁹ | 8.1 | 8.5 | 5.0% |
| <i>EBITDA Margin (%)</i> | <i>41.4%</i> | <i>46.5%</i> | <i>5.0 pts.</i> |
| Operating Profit | 6.4 | 6.9 | 8.0% |
| <i>Operating Profit Margin (%)</i> | <i>32.8%</i> | <i>37.8%</i> | <i>5.0 pts.</i> |
| Net Profit | 4.1 | 4.4 | 9.6% |
| <i>Net Profit Margin (%)</i> | <i>20.7%</i> | <i>24.2%</i> | <i>3.5 pts.</i> |

⁶ Concrete's network includes 53 stores as of 30/9/2024.

⁷ Consolidated results exclude intercompany transactions from the totals for all reporting periods.

⁸ EGP to USD rate calculated using data from the Egyptian Central Bank.

⁹ EBITDA is calculated as operating profit for the period plus depreciation, amortization, provisions, and expected credit losses (ECL).



Manufacturing

The Group's manufacturing segment includes results from its three manufacturing business units dedicated to the manufacture of suits, trousers and shirts. Across its facilities, around 90% of manufactured pieces are exported worldwide to prestigious fashion houses including Brooks Brothers, Macy's, Ralph Lauren, Calvin Klein, Boggi, Ted Baker, Tommy Hilfiger, Massimo Dutti, Armani, JOOP!, and Ramsy providing the Group with a large and growing flow of foreign currency income. Today, the Group's Swiss Garments Company (SGC) and Egypt Tailoring Company (ETC) facilities are focused on the manufacturing of formal and casual jackets, coats, and formal trousers and with respective yearly capacities of 1.5 million jackets and 1.5 million trousers. Meanwhile, trousers are manufactured at its Swiss Cotton Garments Company (SCGC) facility, with respective yearly capacity of 2.5 million formal and casual trousers, and shirts at its Cristall for Making Shirts (Cristall) plant, which boasts a yearly capacity of 1.0 million casual and formal shirts.

**Contribution of manufacturing business to Group's consolidated net sales of USD102.0 million in 9M 2024.*

At the manufacturing segment, the Group posted consolidated¹⁰ net sales of USD 83.7 million in 9M 2024, up marginally by 0.1% y-o-y. This slight increase in the segment's consolidated net sales came on the back of a sustained pick up in orders during Q3 2024 supported by strong business with Brooks Brothers and United Airlines, as well as improved orders from our European customers including Massimo Dutti, Armani, and Boggi.

On the profitability front, consolidated EBITDA grew by 69.5% to reach USD 21.5 million, with an associated margin of 25.7% in 9M 2024 versus 15.2% in 9M 2023. Improved EBITDA profitability comes on the back of reductions in COGS and SG&A expenses for the period as the Group-wide optimization efforts rolled out at the start of the year continued bearing fruits, particularly during Q3 2024. Consolidated operating profit also increased by 77.2% y-o-y. Finally, the segment's consolidated net profit amounted to USD 8.1 million compared to net loss of USD 1.1 million in the comparable period of last year. Consolidated net profit margin improved strongly to 9.6% in 9M 2024

| Summary Consolidated Income Statement (USD mn) | 9M 2023 | 9M 2024 | Change |
|--|--------------|-------------|--------------|
| Net Sales | 83.6 | 83.7 | 0.1% |
| Cost of Goods Sold | (65.9) | (59.3) | -10.1% |
| EBITDA¹¹ | 12.7 | 21.5 | 69.5% |
| <i>EBITDA Margin (%)</i> | 15.2% | 25.7% | 10.5 pts. |
| Operating Profit | 9.9 | 17.5 | 77.2% |
| <i>Operating Profit Margin (%)</i> | 11.8% | 20.9% | 9.1 pts. |
| Net Profit | (1.1) | 8.1 | - |
| <i>Net Profit Margin (%)</i> | -1.3% | 9.6% | 11.0 pts. |

¹⁰ Consolidated results exclude intercompany transactions from the totals for all reporting periods.

¹¹ EBITDA is calculated as operating profit for the period plus depreciation, amortization, provisions, and expected credit losses (ECL).

Consolidated Income Statement

| USD mn | 9M 2023 | 9M 2024 | Change |
|--|--------------|--------------|--------------|
| Net Sales | 103.2 | 102.0 | -1.1% |
| Cost of Goods Sold ¹² | (71.3) | (62.0) | -13.1% |
| Selling Investments at FVTPL | - | 1.8 | - |
| Gross Profit | 31.8 | 41.8 | 31.2% |
| <i>Gross Profit Margin</i> | 30.9% | 41.0% | 10.1 pts. |
| Other Operating Revenue ¹² | 0.6 | 0.5 | -16.2% |
| Selling & Distribution Expenses ¹² | (5.8) | (5.1) | -12.2% |
| General & Administrative Expenses ¹² | (7.8) | (7.0) | -10.1% |
| Other Operating Expenses ¹² | (1.0) | (0.9) | -8.8% |
| EBITDA¹³ | 17.8 | 29.2 | 64.2% |
| <i>EBITDA Margin</i> | 17.3% | 28.7% | 11.4 pts. |
| Operating Profit | 14.2 | 24.4 | 71.4% |
| <i>Operating Profit Margin</i> | 13.8% | 23.9% | 10.1 pts. |
| Finance Income | 0.7 | 0.3 | -51.1% |
| Finance Cost | (14.3) | (12.8) | -10.4% |
| Profit Before Tax | 0.6 | 11.9 | - |
| Income Tax | (1.4) | (1.0) | -26.2% |
| Deferred Tax | 0.3 | 0.8 | 217.4% |
| Net Profit (Loss) from Continued Operations | (0.5) | 11.7 | - |
| <i>Net Profit Margin</i> | -0.5% | 11.5% | 12.0 pts. |
| Net Profit (Loss) after Discontinued Operations | (3.4) | 11.7 | - |
| <i>Net Profit Margin</i> | -3.3% | 11.5% | 14.8 pts. |

¹² Figures for both periods exclude depreciation.

¹³ EBITDA is calculated as operating profit for the period plus depreciation, amortization, provisions, and expected credit losses (ECL).

Consolidated Balance Sheet

| USD mn | 31 January 2024 | 30 September 2024 |
|---|-----------------|-------------------|
| Non-Current Assets | | |
| Property, Plant, and Equipment | 42.8 | 42.9 |
| Projects under Construction | 3.2 | 1.0 |
| Intangible Assets | 4.1 | 4.0 |
| Right of Use Assets | 4.5 | 3.5 |
| Total Non-current Assets | 54.6 | 51.3 |
| Current Assets | | |
| Inventory | 95.6 | 92.6 |
| Work in Progress | 0.0 | 1.7 |
| Accounts Receivable | 40.2 | 48.9 |
| Due from Related Parties | 0.4 | 0.1 |
| Assets Held for Sale | 1.7 | 1.1 |
| Cash and Cash Equivalents | 10.5 | 6.1 |
| Total Current Assets | 148.4 | 150.5 |
| Total Assets | 203.1 | 201.8 |
| Equity | | |
| Capital | 32.9 | 32.9 |
| Legal Reserve | 6.7 | 6.7 |
| Foreign Entities Conversion Differences | (36.3) | (42.8) |
| Retained Earnings | 23.5 | 27.7 |
| Controlling Equity | 26.8 | 24.5 |
| Non-Controlling Equity | 1.7 | 1.5 |
| Total Equity | 28.5 | 26.0 |
| Non-current Liabilities | | |
| Long-term Debt | 38.4 | 30.3 |
| Notes Payable | 0.0 | 0.1 |
| Lease Liability | 13.1 | 11.7 |
| Deferred Tax | 1.6 | 0.6 |
| Total Non-current Liabilities | 53.0 | 42.7 |
| Current Liabilities | | |
| Provisions | 0.6 | 0.6 |
| Short-term Debt | 79.8 | 82.3 |
| Overdraft | 1.0 | 0.5 |
| Accounts Payable | 22.9 | 30.0 |
| Due to Related Parties | 0.2 | 2.0 |
| Income Tax Payable | 1.4 | 0.9 |
| Other Payables | 6.2 | 4.3 |
| Current Portion of Long-term Debt (CPLTD) | 9.3 | 12.4 |
| Total Current Liabilities | 121.5 | 133.1 |
| Total Liabilities | 174.5 | 175.8 |
| Total Liabilities and Equity | 203.1 | 201.8 |

Key Operational Figures

| Thousands of Pieces sold | 9M 2023 | 9M 2024 |
|----------------------------------|---------|---------|
| Retail | | |
| <i>Concrete</i> | 1,263.9 | 1,135.4 |
| <i>Euromed</i> | 749.8 | 909.2 |
| Manufacturing | | |
| <i>Casual Jackets</i> | 514.2 | 226.2 |
| <i>Casual Trouser and Shorts</i> | 4,076.8 | 3,828.0 |
| <i>Formal Jackets</i> | 129.3 | 57.8 |
| <i>Formal Trousers</i> | 623.6 | 489.7 |
| <i>Coats</i> | 706.3 | 680.6 |
| <i>Vests</i> | 1,873.0 | 1,888.1 |
| <i>Shirts</i> | 30.2 | 35.6 |
| <i>Others</i> | 93.8 | 83.6 |
| | 609.1 | 592.5 |
| | 11.6 | - |

About Concrete Fashion Group

Concrete Fashion Group is a leading luxury fashion manufacturer, retailer and exporter business. The holding company is listed on the Egyptian Stock Exchange under the ticker CFGH. Concrete Fashion Group owns the homegrown brand Concrete, which is considered Egypt's largest retailer for luxury menswear, teens wear, and kids wear with 53 stores in Egypt and a growing regional online presence. CFG also operates a successful ready-made garments export business serving prominent global fashion houses such as Massimo Dutti, Armani, Boggi, Brooks Brothers, and Macy's.

Investor Relations Contact

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كونكريت فاشون جروب تعلن عن نتائجها المالية والتشغيلية عن أول تسعه أشهر من عام

٢٠٢٤

نجحت المجموعة في مواصلة تحقيق نتائج إيجابية خلال الربع الثالث من عام ٢٠٢٤، وذلك في ضوء تسجيل صافي إيرادات بقيمة ١٠٢,٠ مليون دولار أمريكي خلال أول تسعه أشهر من عام ٢٠٢٤، مع تحسن مستويات الربحية بجميع قطاعات المجموعة. هذا وتنظر المجموعة إلى مواصلة ترسیخ الأساس القوي للالتزام لتحقيق النمو في المستقبل، وإبرام المزيد من الاتفاقيات الاستراتيجية الجديدة فضلاً عن توسيع الشراكات الحالية على صعيد قطاع التصنيع، مع التوسع في محفظة منتجاتها لتشمل خط الإنتاج الجديد الذي يتم إطلاقه لأول مرة خصيصاً لملابس السيدات، مع مواصلة ترسیخ مكانها الرائد في قطاع التجزئة بالتوسيع في السوق المحلي والأسواق العالمية.

القاهرة، مصر في ١٥ ديسمبر ٢٠٢٤

أعلنت مجموعة كونكريت فاشون جروب للاستثمارات التجارية والصناعية ش.م.م، وهي شركة رائدة في السوق المصري بقطاع تجارة التجزئة وتصدير الملابس الفاخرة، عن نتائجها المالية والتشغيلية عن الفترة المالية المنتهية في ٣٠ سبتمبر ٢٠٢٤ (أول تسعه أشهر من ٢٠٢٤)، ومن الجدير بالذكر أن الجمعية العمومية غير العادية التي انعقدت في ١٢ يونيو ٢٠٢٤ وافقت على تغيير السنة المالية لشركة كونكريت فاشون جروب لتبأ في ١ يناير وتنتهي في ٣١ ديسمبر من كل عام. وبلغ صافي الإيرادات المجمعة ١٠٢,٠ مليون دولار أمريكي خلال التسعه أشهر الأولى من عام ٢٠٢٤. وقد شهدت مستويات الربحية تحسناً ملحوظاً، فقد ارتفعت الأرباح التشغيلية قبل خصم الضرائب والفوائد والإهلاك والاستهلاك بمعدل سنوي ٦٤,٢٪. وقد ارتفع هامش الأرباح التشغيلية قبل خصم الضرائب والفوائد والإهلاك إلى ١٧,٣٪ مقابل ١٧,٢٪. هذا وقد انعكست تثار الاستراتيجية التي تبنتها المجموعة من إتمام عملية الانقسام على صافي أرباح الشركة خلال أول تسعه أشهر من عام ٢٠٢٣، حيث بلغ صافي الربح من العمليات المستمرة ١١,٧ مليون دولار أمريكي، مقابل صافي خسائر بقيمة ٤٧٤ ألف دولار أمريكي خلال أول تسعه أشهر من عام ٢٠٢٣. ويظهر ذلك بصورة أكبر عند مقارنته بصافي خسائر بقيمة ٣,٤ مليون دولار أمريكي بعد احتساب العمليات غير المستمرة خلال أول تسعه أشهر من عام ٢٠٢٣. وقد انعكست ذلك أيضاً في ارتفاع هامش صافي الربح بشكل ملحوظ إلى ١١,٥٪.

| ملخص قائمة الدخل المجمعة (مليون دولار أمريكي) | أول تسعه أشهر من ٢٠٢٤ | أول تسعه أشهر من ٢٠٢٣ | التغير |
|--|-----------------------|-----------------------|-------------|
| صافي الإيرادات | ١٠٢,٠ | ١٠٣,٢ | ٪ ١,١- |
| صافي إيرادات قطاع التجزئة | ١٨,٤ | ١٩,٦ | ٪ ٦,٣- |
| صافي إيرادات قطاع التصنيع | ٨٣,٧ | ٨٣,٦ | ٪ ٠,١ |
| تكلفة المبيعات | (٦٢,٠) | (٧١,٣) | ٪ ١٣,١- |
| الأرباح التشغيلية قبل خصم الضرائب والفوائد والإهلاك والاستهلاك ^١ | ٢٩,٢ | ١٧,٨ | ٪ ٦٤,٢ |
| هامش الأرباح التشغيلية قبل خصم الضرائب والفوائد والإهلاك والاستهلاك ^٢ | ٪ ٢٨,٧ | ٪ ١٧,٣ | ٪ ١١,٤ نقطة |
| أرباح التشغيل (%) | ٢٤,٤ | ١٤,٢ | ٪ ٧١,٤ |
| هامش أرباح التشغيل (%) | ٪ ٢٣,٩ | ٪ ١٣,٨ | ٪ ١٠,١ نقطة |
| صافي أرباح العام (%) | ١١,٧ | (٠,٥) | - |
| هامش صافي أرباح العام (%) | ٪ ١١,٥ | ٪ ٠,٥- | ٪ ١٢,٠ نقطة |
| صافي أرباح قطاع التجزئة (%) | ٤,٤ | ٤,١ | ٪ ٩,٦ |
| صافي أرباح قطاع التصنيع (%) | ٨,١ | (١,١) | - |
| أبرز المؤشرات التشغيلية (ألف قطعة مباعة) | أول تسعه أشهر من ٢٠٢٤ | أول تسعه أشهر من ٢٠٢٣ | التغير |
| قطاع التجزئة | ١,١٣٥,٤ | ١,٢٦٣,٩ | ٪ ١٠,٢- |
| قطاع التصنيع | ٣,٨٨٨,٠ | ٤,٠٧٦,٨ | ٪ ٦,١- |

وفي هذا السياق، قال **الدكتور علاء عرفة نائب رئيس مجلس الإدارة والعضو المنتدب لكونكريت فاشون جروب**، مع اقتراب عام ٢٠٢٤ من نهايته أود أن أعرب عن اعتزازي بالنتائج المالية والتشغيلية القوية التي حققتها كونكريت فاشون جروب خلال أول تسعه أشهر من عام ٢٠٢٤ بعد إتمام عملية

^١ وافقت الجمعية العمومية غير العادية التي انعقدت في ١٢ يونيو ٢٠٢٤ على تغيير السنة المالية لشركة كونكريت فاشون جروب لتبأ في ١ يناير وتنتهي في ٣١ ديسمبر من كل عام.

^٢ الإيرادات المجمعة بعد استبعاد العماملات بين الشركات في مختلف الفترات المالية.

^٣ تمثل الأرباح التشغيلية خلال فترة التقرير بالإضافة إلى مصروفات الاستهلاك والإهلاك والمخصصات وخسائر الائتمان المتوقعة.

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الانقسام، وذلك بالرغم من التقلبات الاقتصادية التي شهدتها هذه الفترة على صعيدي السوق المصري والعديد من أسواق التصدير، فضلاً عن التحديات الجيوسياسية التي تشهدتها المنطقة مؤخراً. وأوضح الدكتور عرفة أن الشركة نجحت في تحقيق نتائج إيجابية على صعيد مستويات الربحية مع وضع الركائز الرئيسية للنمو على مدار السنوات القادمة، وذلك بفضل نموذج أعمالها واستراتيجيات النمو الفعالة التي ساهمت في تعزيز قدرتها على التكيف مع مختلف التحديات.

وعلى صعيد الأداء التشغيلي للشركة، أحرز قطاع التجزئة أداءً قوياً خلال أول تسعه أشهر من عام ٢٠٢٤، فقد ارتفعت الإيرادات بالجنيه المصري بمعدل سنوي ٣٪، إلا أن القطاع سجل تراجعاً طفيفاً على أساس سنوي عند ترجمة الإيرادات بالدولار الأمريكي نتيجة تراجع قيمة الجنيه المصري أمام الدولار الأمريكي خلال الفترة. ومن الجدير بالذكر أن العالمة التجارية الرائدة "كونكريت" نجحت في تحقيق نمو سنوي بالدولار الأمريكي والجنيه المصري خلال أول تسعه أشهر من عام ٢٠٢٤، بينما تراجعت مبيعات شركة بوروميد بالعملة المحلية نتيجة تأخر تسليم إحدى مناقصات الزر العودي التي من المتوقع تسليمها خلال الربع الأخير من العام.

وأشار الدكتور عرفة إلى أن النمو المتواصل في إيرادات قطاع التجزئة يعكس الاستراتيجية متعددة المحاور التي تتناولها المجموعة، والتي تستند إلى ثلاثة ركائز أساسية، وهي تنويع باقة المنتجات التي تقدمها، وتنمية شبكة الفروع في السوق المحلي والأسواق العالمية، والتوعية بالعلامة التجارية في الأسواق التي تعمل بها. وفي إطار الجهود الحثيثة التي تبذلها الإدارة لتنفيذ هذه الاستراتيجية، احتفلت شركة كونكريت للملابس الجاهزة المالكة للعلامة التجارية "كونكريت" بالذكرى الخامسة والثلاثين على تأسيسها على هامش فعاليات مهرجان الجونة السينمائي الدولي الذي يقام سنوياً، حيث تضمن هذا الحدث إطلاق أول مجموعة أزياء نسائية للمجموعة في تاريخها من خلال إطلاق عرض أزياء "She Evolution Capsule"، وهو إنجاز بارز يعكس روح الابتكار التي تتفنن بها كونكريت منذ تأسيسها، إضافة إلى التزامها بالتوسيع ب نطاق أعمالها لتشمل قطاعات جديدة في السوق. وامتداداً لهذه الجهود، تتوسع المجموعة تقديم تشكيلة كاملة من أزياء النساء في متاجرها بدءاً من صيف وشتاء ٢٠٢٥. بالإضافة إلى ذلك، فقد أحرزت المجموعة تقدماً ملحوظاً نحو افتتاح أول متجر دولي متخصص للعلامة التجارية كونكريت في الريم مول بإمارة أبوظبي، ومن المتوقع أن يبدأ نشاطه في الربع الثاني من عام ٢٠٢٥، وذلك في إطار خططها الطموحة للتوسيع في الأسواق العالمية. ومن ناحية أخرى، فقد واصلت المجموعة جهودها التوسعية في السوق المحلي عبر إطلاق فرعين جديدين في شرق القاهرة (في كل من مول ٥٠٥ وسويديك آيست)، وهو ما أدى عن نمو عدد الفروع الجديدة التي قامت بافتتاحها خلال عام ٢٠٢٤ إلى سبعة متاجر، ليصل إجمالي شبكة فروع كونكريت إلى ٥٣ فرعاً.

ومن ناحية أخرى، بدأ قطاع التصنيع في إظهار مؤشرات إيجابية على صعيد النتائج المالية خلال الربع الثالث من عام ٢٠٢٤، مدفوعاً بنمو المبيعات التصديرية لكلي من *Brooks Brothers*، *United Airlines*، *Massimo Dutti* و *Boggi Armani*. ومن الجدير بالذكر أن مصانع المجموعة في مدينة العاشر من رمضان بدأت مؤخراً في تصدير أولى شحناتها من منتجات الملابس النسائية إلى *Brooks Brothers*، وهو ما يفتح آفاقاً جديدة أمام نمو المجموعة في المستقبل. كما تتوسع المجموعة أن تشهد مبيعات مصانعها في العاشر من رمضان نمواً ملحوظاً خلال العام المقلل، مدفوعة من عودة طلبيات البذل الرجالية من *Massimo Dutti* و *Ralph Lauren*، *Armani* و *Boggi*، بالإضافة إلى التطورات الهامة التي أحرزتها المجموعة مع ابرز العملاء في تركيا وعلى رأسهم *Gurmen*. ومن ناحية أخرى، تواصل مصانع المجموعة في محافظة بنى سويف إحرار تقدم كبيرة، في توسيع محفظة العملاء وفتح أسواق جديدة، مثل المملكة المتحدة وإسبانيا والدول الاسكندنافية.

وأوضح الدكتور عرفة أن المجموعة تتطلع إلى نمو مبيعات قطاع التصنيع في المستقبل، مدفوعة بالتأثير الإيجابي الناجم عن توسيع نطاق أعمالها مع عملائها الحاليين في ظل نمو إنتاج الملابس النسائية وقدرة المجموعة على استقطاب عملاء جدد في هذا الصدد، مما يعكس جودة منتجاتها وتميزها في تلبية متطلبات عملائها، بالإضافة إلى قدرتها على الاستفادة من الأسعار التنافسية الجديدة في السوق المصري، وهو ما أدى إلى جذب عدد متزايد من العلامات التجارية العالمية إلى السوق المصري منذ تعويم الجنيه المصري في مارس ٢٠٢٤.

وبوجه عام، سجلت صافي إيرادات المجموعة انخفاضاً طفيفاً خلال أول تسعه أشهر من عام ٢٠٢٤ مقارنة بالعام السابق، لتبلغ ١٠٢٠ مليون دولار أمريكي، علماً بأن نتائج أعمال المجموعة تضمنت ١,٨ مليون دولار أمريكي ناتجة عن بيع استثمارات بالقيمة العادلة. وعلى الرغم من التراجع الطفيف في صافي المبيعات، إلا أن مستويات الربحية أظهرت ارتفاعاً ملحوظاً، حيث ارتفعت الأرباح التشغيلية قبل خصم الضرائب والفوائد والإهلاك والاستهلاك بمعدل سنوي ٦٪ لتصل إلى ٢٩,٢ مليون دولار أمريكي، وصاحب ذلك نمواً ملحوظاً في هامش الأرباح التشغيلية قبل خصم الضرائب والفوائد والإهلاك والاستهلاك ليصل إلى ١٧٪، مقابل ١٧,٣٪، مقارنة بـ ٢٨,٧٪ خلال نفس الفترة من عام ٢٠٢٣. ويعكس ذلك الارتفاع الجهود الحثيثة التي تبذلها المجموعة وتهدف إلى تحسين هيكل التكاليف، وأشرت عن الانخفاض الملحوظ في تكلفة المبيعات والمصروفات الإدارية والعمومية خلال أول تسعه أشهر من عام ٢٠٢٤. ومن ناحية أخرى، سجلت الشركة صافي أرباح خلال أول تسعه أشهر من عام ٢٠٢٤، حيث بلغ صافي الربح من العمليات المستمرة ١١,٧ مليون دولار أمريكي، مقابل صافي خسائر بقيمة ٤٧٤ ألف دولار أمريكي خلال أول تسعه أشهر من عام ٢٠٢٣. ونطّهرت إيجابية تلك النتائج بصورة أكبر عند مقارنتها بصافي خسائر بقيمة ٣,٤ مليون دولار أمريكي بعد احتساب العمليات غير المستمرة خلال أول تسعه أشهر من عام ٢٠٢٣. وفي إطار الاستراتيجية التي تنتهجها الإدارة لتخفيض الدين، نجحت المجموعة في خفض إجمالي ديونها إلى ١٢٥,٤ مليون دولار أمريكي خلال أول تسعه أشهر من العام الحالي، كما تتطلع إلىمواصلة تخفيض المديونية خلال الأشهر المقبلة.

وبنظرة للمستقبل، تتطلع المجموعة خلال الربع الأخير من عام ٢٠٢٤ وبداية عام ٢٠٢٥ إلى تنفيذ استراتيجية التوسيع بأشusterتها في قطاع التجزئة، وتطوير عمليات التصنيع وتوسيع قاعدة عملائها، وتتوسع باقة المنتجات التي تقدمها، مع الالتزام بمواصلة تحقيق التميز في جميع الأسواق التي تعمل

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بها. كما تتطلع الإدارة بتفاؤل حذر إلى العام المقبل، مع ثقتها التامة في أن تحسن المشهد الاقتصادي على الصعيد المحلي وعلى صعيد العمليات التوسيعية في الأسواق الإقليمية سوف ينعكس مردوده الإيجابي في ترسيخ مكانة الرائدة التي تتفوق بها الشركة وتسريع وتيرة النمو خلال عام ٢٠٢٥ وما بعدها. ومع اقتراب العام الجديد، تضع المجموعة على رأس أولوياتها تعظيم القيمة للمساهمين والعملاء والمجتمعات التي تعمل بها على حد سواء. وفي الختام أكد الدكتور عرفة على أن الجهود التي تبذلها المجموعة لا تقتصر على إنتاج الملابس العالمية، بل تمتد لتشمل تبني ممارسات أعمال مستدامة في جميع جوانب العمليات التشغيلية، لضمان تقليل الأثر السلبي على البيئة وتعظيم المردود الإيجابي لجميع الأطراف ذات العلاقة، مدفوعة بمكانتها الرائدة فضلاً عن قدرتها على التحكم في التوجه العام في الأسواق التي تعمل بها.

– نهاية البيان –



نبذة عن كونكريت فاشون جروب

تحظى كونكريت فاشون جروب بمكانة رائدة في عالم صناعة الأزياء الفاخرة والتجزئة والتصدير، علماً بأنها شركتها القابضة مقيمة في البورصة المصرية. تمتلك المجموعة شبكة تجزئة واسعة تتجاوز ٥٣ متجرًا لعلامتها الشهيرة "كونكريت" التي تتفوق بسمعة قوية في مصر باعتبارها واجهة لأفخر صيحات الأزياء المصممة خصيصاً لثلاثة مختلف أذواق الرجال والشباب والأطفال. كما تمتلك المجموعة مكانة بارزة بأسواق التصدير لأرقى بيوت الأزياء على الساحة العالمية مثل Massimo Dutti و Boggi Milano و Brooks Brothers و Armani و Macy's.

الرائدة.

شركة كونكريت فاشون جروب

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للتواصل مع إدارة علاقات المستثمرين

كونكريت فاشون جروب للاستثمارات التجارية والصناعية ش.م.م

العنوان: المنطقة الحرة العامة بمدينة نصر - شارع ١٥ بالقرب من المنطقة الشمالية

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Concrete Fashion Group Reports 9M 2024¹ Results

The Group maintained its positive trajectory in the third quarter of 2024, reporting consolidated net sales of USD 102.0 million in 9M 2024, alongside notable improvements across all key measures of profitability. In parallel, the Group continued to lay strong foundations for sustained growth in the future, securing new partnerships and deepening existing ones at the manufacturing segment, expanding its portfolio to include the Group's first-ever women's line, while also making substantial progress on its local and international expansion at the retail segment.

Cairo, Egypt | 15 December 2024

Concrete Fashion Group for Commercial and Industrial Investments S.A.E ("Concrete Fashion Group" or "CFG" or "the Group"), Egypt's leading luxury apparel manufacturer, retailer, and exporter, announced today its audited financial statements and operational results for the nine months ending 30 September 2024 (9M 2024). It is important to note that following its extraordinary general meeting held on 12 June 2024, the Group has changed its financial year to run from 1 January to 31 December. In the nine months ending 30 September 2024, the Group recorded consolidated² net sales of USD 102.0 million. Profitability continued to improve, with consolidated EBITDA reaching USD 29.2 million, representing a strong 64.2% y-o-y increase and resulting in a margin of 28.7% versus 17.3% in 9M 2023. Net profit from continued operations for 9M 2024 totaled USD 11.7 million, marking a significant turnaround from the net loss of USD 474 thousand recorded in 9M 2023. The turnaround was even more evident when compared to the net loss after discontinued operations of USD 3.4 million recorded in 9M 2023. Similarly, the Group's net profit margin improved notably to 11.5%. The remarkable improvement in bottom-line profitability further highlights the effectiveness of the Group's strategies post-demergers and the potential of the business going forward.

| Summary Consolidated Income Statement (USD mn) | 9M 2023 | 9M 2024 | Change |
|--|----------------|----------------|------------------|
| Net Sales | 103.2 | 102.0 | -1.1% |
| Retail Net Sales | 19.6 | 18.4 | -6.3% |
| Manufacturing Net Sales | 83.6 | 83.7 | 0.1% |
| Cost of Goods Sold | (71.3) | (62.0) | -13.1% |
| EBITDA³ | 17.8 | 29.2 | 64.2% |
| EBITDA Margin (%) | 17.3% | 28.7% | 11.4 pts. |
| Operating Profit | 14.2 | 24.4 | 71.4% |
| Operating Profit Margin (%) | 13.8% | 23.9% | 10.1 pts. |
| Net Profit | (0.5) | 11.7 | - |
| Net Profit Margin (%) | -0.5% | 11.5% | 12.0 pts. |
| Retail Net Profit | 4.1 | 4.4 | 9.6% |
| Manufacturing Net Profit | (1.1) | 8.1 | - |
| Key Operational Figures (thousands pieces sold) | 9M 2023 | 9M 2024 | Change |
| Retail | 1,263.9 | 1,135.4 | -10.2% |
| Manufacturing | 4,076.8 | 3,828.0 | -6.1% |

¹ Following the Group's Extraordinary General Meeting held on 12 June 2024, CFG has changed its financial year to run from 1 January to 31 December. The Group's financial year previously ran from 1 February to 31 January.

² Consolidated results exclude intercompany transactions for all periods.

³ EBITDA is calculated as operating profit for the period plus depreciation, amortization, provisions, and expected credit losses (ECL).

"As we approach the end of 2024, I am proud of all that Concrete Fashion Group has achieved during its first year as a standalone company," **said Dr. Alaa Arafa, Group Vice Chairman and Chief Executive Officer.** "The past year was one marked by continued macroeconomic difficulties in our home market of Egypt and across several of our main export markets, as well as significant geopolitical challenges across the region. Despite these headwinds, we demonstrated the adaptability of our business model and the effectiveness of our growth strategies, delivering impressive improvements in profitability while laying the foundations for accelerated growth in the coming years."

Turning to the Group's latest performance, at the retail segment, CFG reported a strong 29.3% y-o-y net sales expansion in local currency terms. In USD terms, the Group reported only a marginal year-on-year decline despite a weaker EGP weighing down on the segment's USD-denominated results for the nine-month period. It is worth highlighting that the Group's Concrete brand delivered year-on-year growth in both USD and local currency terms during the nine-month period, while Euromed results were impacted by the delayed delivery of a uniform tender which will be delivered during Q4 2024.

"The continued growth of our retail business has been supported by a multi-pronged strategy focused on three core pillars: diversifying our product offering, expanding our branch network both locally and internationally, and continuing to strengthen our brand presence. As part of our ongoing efforts to diversify our offering and expand brand awareness, we celebrated the brand's 35th anniversary by launching the "She Evolution Capsule" fashion show at the prestigious annual Gouna Film Festival. This marked the introduction of our first-ever women's wear collection, a significant milestone which reflects both the innovative spirit which has characterized Concrete since its inception as well as our commitment to broadening our reach across new market segments. Building on this, we expect to have a complete women's wear collection in stores starting from the summer and winter 2025 lines. At the same time, in line with our international growth ambitions, we took several steps forward on the launch of our first full-fledged international Concrete store in Abu Dhabi's Al Reem Mall, which is expected to begin operations in Q2 2025. Meanwhile, on the local front, we continued to expand our footprint with the launch of two new branches in East Cairo (in 5A and Sodic East), taking the number of new branch openings in 2024 to 7 stores and our total Concrete branch network up to 53 stores," **commented Dr. Arafa.**

Meanwhile, results at the manufacturing segment started to show robust signs of sustained improvement during the third quarter of the year supported by strong business with Brooks Brothers and United Airlines, as well as improved orders from the Group's European customers including Massimo Dutti, Armani, and Boggi. It is worth noting that CFG's 10th of Ramadan facilities have recently started shipping the first women's wear products to Brooks Brothers, opening up an important avenue of future growth for the Group. Next year, the Group expect to see sales generated by its 10th of Ramadan facilities accelerate supported by the return of suit orders from Peerless and Mango, the expansion of orders from Ralph Lauren, Massimo Dutti, Boggi, and Armani, as well as important developments with key Turkish clients. On a similar note, CFG's Beni Suef facilities are continuing to make considerable progress, with planned portfolio expansions focused on new markets including the UK, Spain, and Scandinavia.

"At the manufacturing segment, we are excited to see future sales boosted by the expansion of business with existing clients as our women's wear manufacturing ramps up. Our ability to expand business with existing clients and secure new customers reflects both our superior quality and client experience as well as Egypt's newly found cost-competitiveness which has seen a growing number of global brands look at the Egyptian market with increasing interest since the EGP floatation in March 2024," **added Dr. Arafa.**

At the consolidated level, the Group's net sales for 9M 2024 reached USD 102.0 million, reflecting a marginal decline from the previous year. It is worth flagging that CFG's consolidated results for the period include USD 1.8 million net revenue from the sale of investments at fair value. Meanwhile, the Group witnessed strong improvements in profitability, with EBITDA rising to USD 29.2 million, a 64.2% increase compared to last year. The Group's EBITDA margin also improved notably, recording 28.7% in 9M 2024, up from 17.3% in 9M 2023. Improved EBITDA profitability

primarily reflects the Group's cost-optimization efforts which resulted in substantial reductions in COGS and SG&A expenses during 9M 2024. Further down the income statement, consolidated net profit from continued operation recorded USD 11.7 million, a remarkable turnaround from the USD 474 thousand net loss recorded in the corresponding period of last year. The turnaround was even more evident when comparing this latest period's results with the net loss after discontinued operations of USD 3.4 million recorded in the corresponding nine-month period of 2023. Finally, in line with management's deleveraging strategy, during the third quarter of the year the Group successfully brought its total debt down to USD 125.4 million, a figure management expects to see decline further in the coming months.

"Looking ahead to the final quarter of 2024 and into 2025, our priorities will continue to center on executing our retail expansion strategy, strengthening our manufacturing operations, expanding our client portfolio, diversifying our product offering, and upholding our commitment to excellence across all markets. We remain cautiously optimistic about the coming year, confident that an improving macroeconomic situation at home and our regional expansion efforts will position us for accelerated growth in 2025 and beyond. Heading into the new year, our number one priority remains generating incremental value for our shareholders, customers, and communities alike. As an industry leader and trendsetter, our commitment extends beyond the creation of world-class clothing and encompasses the adherence to sustainable business practices across all areas of our operations to ensure we minimize our impact on the planet while maximizing our positive impact on all stakeholders," **concluded Dr. Arafa.**

– Ends –



About Concrete Fashion Group

Concrete Fashion Group is a leading luxury fashion manufacturer, retailer and exporter business. The holding company is listed on the Egyptian Stock Exchange under the ticker CFGH. Concrete Fashion Group owns the homegrown brand Concrete, which is considered Egypt's largest retailer for luxury menswear, teens wear, and kids wear with 53 stores in Egypt and a growing regional online presence. CFG also operates a successful ready-made garments export business serving prominent global fashion houses such as Massimo Dutti, Armani, Boggi, Brooks Brothers, and Macy's.

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