

Summary of business results for the six-month period ending on 12/31/2023

Financial indicators

(a) The income statement for the financial period ending on 12/31/2023

Value in million EGP

	H1 23 24	H1 22 23	YoY	Q2 23 24	Q2 22 23	Q1 23 24	yoy	QoQ
Net revenue/sales	7921	9,863	-20%	4823	5274	3123	-9%	54%
Gross profit	2733	4,858	-44%	1783	2532	975	-30%	83%
Gross profit margin	35%	49%	-	37%	48%	31%		
EBT	3687	4,465	-17%	2266	2505	1421	-10%	59%
EBT Margin	47%	45%	-	47%	47%	46%		
Net profit after tax	2896	3,489	-17%	1773	2084	1124	-15%	58%
Net profit margin	37%	35%	-	37%	40%	36%		

(b) Statement of financial position in 12/31/2023

Value in million EGP

	12/31/2023	06/30/2023
Net working capital	3545	8503
Equity	9790	16116
paid Capital	2230	2230
Reserves	4313	4183
Profit	2896	

(c) Statement of cash flows for the period ending on 12/31/2023

Value in millions EGP

	for the current period	for the comparative period
Cash flows from operating activities	1261	5473
Cash flows from investing activities	6352	1154
Cash flows from financing activities	-9090	-3890
Profits/losses on currency differences	-0.0001	0.0043

- Revenues increased by +54% on a quarterly basis to record 4.8 billion pounds in the second quarter ending in December 2023, compared to 3.1 billion pounds in the first quarter of the same year. This is due to the increase in local cigarette segment sales volumes by +48% on a quarterly basis (94% of total revenues). Increased local cigarette sales values by +62% on a quarterly basis. On the other hand, revenues for the H1 ending in December 2023 decreased by 20% YoY
- And Gross profit increased by 83% on a quarterly basis by recorded in the second quarter ending in December 2023 EGP1.8 billion, compared to EGP 975 in the first quarter. GPM 37% for the 2Q, compared to 31% in the first quarter.
- Net profits achieved significant growth +58% on a quarterly basis, as 2Q 23|24 recorded EGP 1.8 billion compared to EGP 1.12 billion in 1Q 23|24. NPM was 37%, while H123|24 net profit decreased by -17% YoY compared to the first half of the previous year.

Investor Relations Manager

Mohamed Mostafa



Q2-H1 23|24 Earnings Results
Dec.2023

Q2 23|24 results highlights

Double-digit growth in values & volumes (Q o Q)



Revenue
(EGPbn)

4.8 bn

-9% YoY / +54% QoQ

Gross Profit
(EGPbn)

1.8 bn

-30% YoY / +83% QoQ

Gross profit margin of 37%, (+600 bps) QoQ

EBT
(EGPbn)

2.3bn

-10% YoY / +59% QoQ

EBT margin of 47%, (+100bps) QoQ

Net profit
(EGPbn)

1.8 bn

-15% YoY +58% QoQ

Net profit margin of 37%, (+100 bps) QoQ

Q2 23|24: Robust growth QoQ

- ✓ Revenues recorded EGP4.8 BN compared to EGP 3.1 BN in the Q1 , to achieve an increase of +54% QoQ due to an increase in the Volumes of local cigarette sales segment by +48% QoQ (94% of total revenue), as well as an increase in the values of local Cigg. sales segment by +62%.
- ✓ The company recorded a Gross profit in Q2 ending Dec.2023 by EGP 1.8billion, an increase of +83% QoQ , compared to EGP 975 in Q1 BN. The GPM was 37% for this quarter, compared to 31% in Q1.
- ✓ EBT recorded 2.3 BN in Q2 increased by 59% QoQ ,EBT margin 47% for this second quarter.
- ✓ EAST recorded EGP 1.8 billion in Net profit with a significant increase by +58% QoQ , compared to EGP 1.12 billion in Q1& NPM recorded 37%.

H1 23|24 results highlights



Materials supply constrains impacts production & sales volume

Revenue
(EGPbn)

7.9 bn

-20% YoY

Gross Profit
(EGPbn)

2.7 bn

-44% YoY

Gross profit margin of 35%

EBT
(EGPbn)

3.7 bn

-17% YoY

EBT margin of 47%, (+200 bps) YoY

Net profit
(EGPbn)

2.9bn

-17% YoY

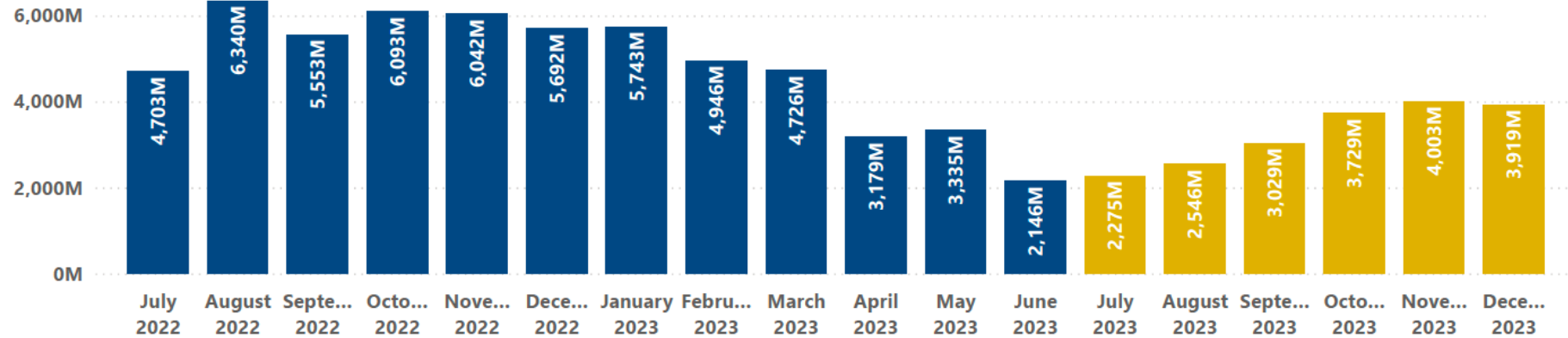
Net profit margin of 37%, (+200 bps) YoY

H1 23|24

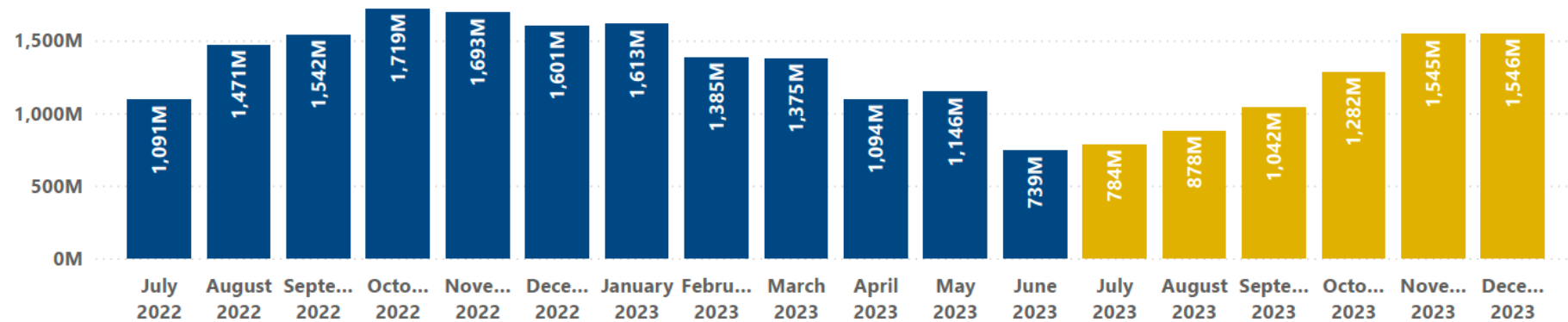
- ✓ Revenues recorded EGP 7.9 billion compared to EGP 9.8 billion in the same period of the previous year, to record decrease of -20% YoY due to decreases in local cigarette sales segment volume -43% YoY (92% of total revenue), as well as decrease in the volume of JV sales segment -1% YoY (2% of total revenue).
- ✓ The company recorded a Gross profit EGP 2.7 billion ,with decrease of -44% YoY compared to EGP 4.8 billion , GPM 35% for 6M ending Dec.2023 compared to 49% the same period of the previous year.
- ✓ EBT decreased by 17% YoY to record EGP 3.7 BN and 47% EBT margin in this period.
- ✓ EAST recorded EGP 2.9 billion in Net profit decreased by +17% YoY compared to EGP 3.5 billion previous period .NPM 37% for the period .

Materials supply constraints impacts production and sales volume

Local cigarettes (volume)



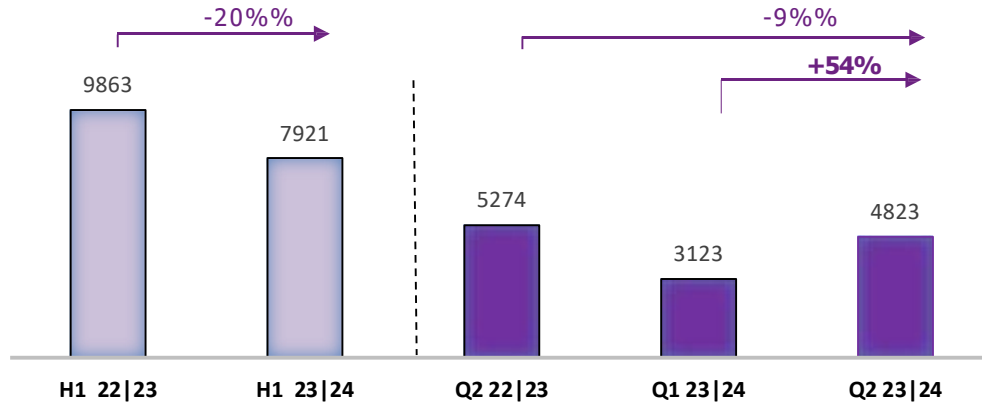
Local cigarettes (value)



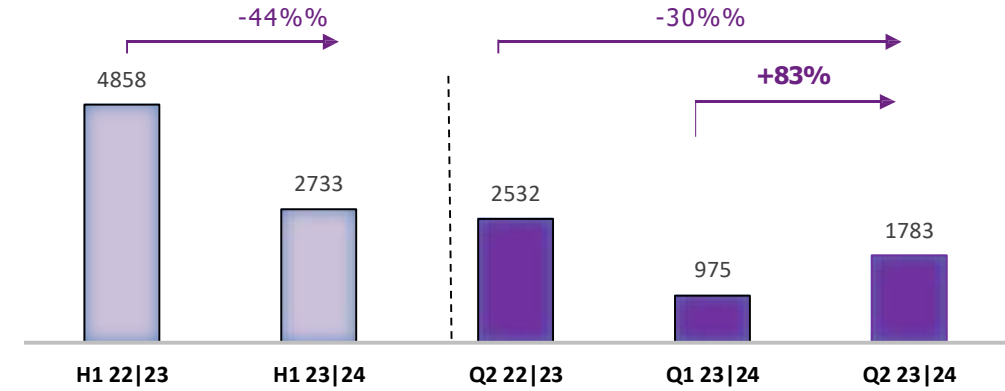
Financial highlights



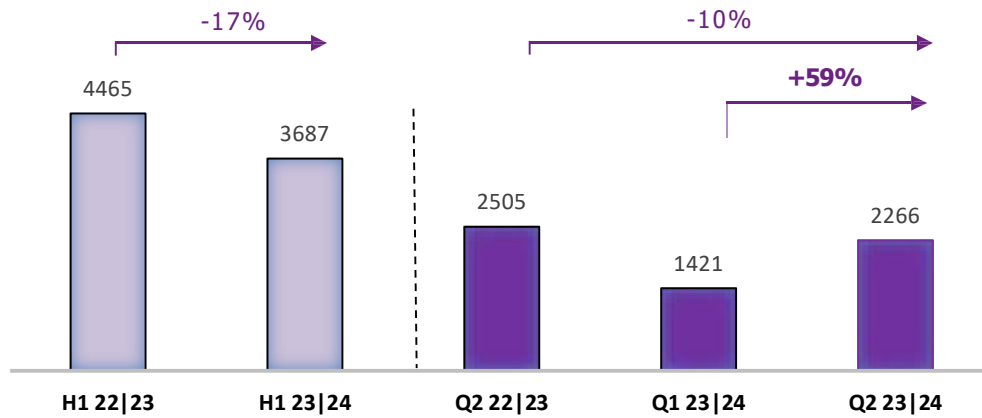
Revenue
(EGP mn)



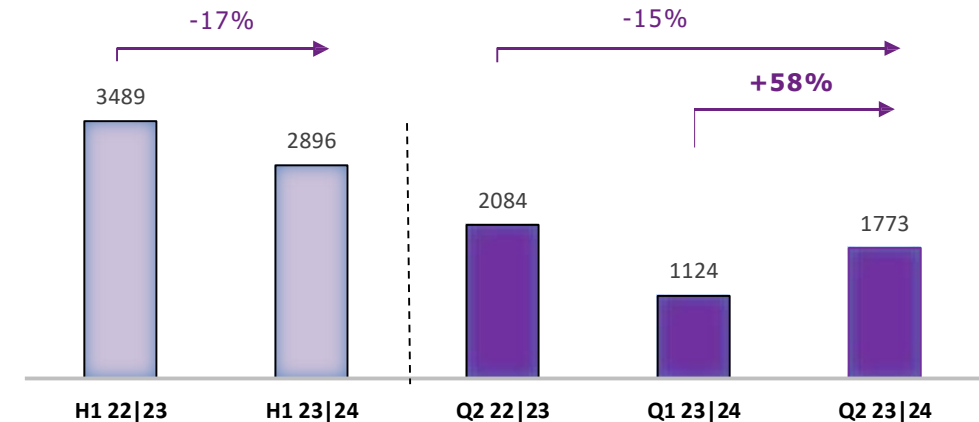
Gross Profit
(EGP mn)



EBT
(EGP mn)



Net profit
(EGP mn)



Efficiency KPIs shows improvement vs. PY

		Actual		Actual		vs. PY
		H1 2023/24		H1 2022/23		B/(W)
<u>Profitability</u>						
EBITDA Margin		49%		47%		▲ 2 pp
EBITDA Margin excl. Provisions		49%		58%		▼ (10)pp
Gross Profit Margin		35%		50%		▼ (15)pp
Net Income Margin		37%		35%		▲ 1 pp
ROE		29%		37%		▼ (7)pp
ROA		14%		16%		▼ (1)pp
Revenue per Employee	MM/yr	0.96		1.11		▼ 14%
EBITDA per Employee	MM/yr	0.47		0.52		▼ 11%
Net Income per Employee	MM/yr	0.35		0.39		▼ 10%
<u>Efficiency</u>						
DSO		(1)		(0)		▼ 1
DIO		148		142		▲ (6)
DPO		38		20		▼ 18
CCC days		109		122		▼ 13
Assets T/O		0.79		0.72		▲ 7%
Fixed Assets T/O		2.28		2.09		▲ 20%
Total Cost per Employee		0.262		0.244		▼ 7%

Thank you

Investor relations manager

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