



**Summary of Q1 Financial Results**  
**Ended 30/09/2021**

**(a) Income Statement for Q1 ended 30/09/2021**

Value in EGP Thousands

Item	Current Period	Previous Period	y.o.y
Gross Sales (including VAT)	17.491.831	15.800.792	%10.7
Revenue/Sales	4.311.137	3.954.393	%9
Gross Profit	1.952.144	1.610.999	% 21.18
Gross Profit margin	45%	41%	
EBIT	1.618.175	1.402.214	%15.4
Net Profit of Continuous Activities (Before Tax)	2.041.098	1.502.761	%35.82
Net Profit After Tax& provisions	1.598.139	1.163.392	%37.37
Basic Earnings per share	0.68	0.48	

**(b) Financial Position as of 30/09/2021**

Value in EGP 000

Item	Current FY	Previous(30/6/2021)	y.o.y
Equity	10.163.015	8.543.704	%19
Paid Up Capital	2.250.000	2.250.000	-
Reserves	4.414.989	4.414.989	-
Retained Earnings	2.246.267	2.225.095	%0.95
Profit Of The Period	1.598.139	0	-
Others	0	0	-
T-Stock	259.360	259.360	-

**(C) Cash Flow Statement for Q1 Ended 30/09/2021**

Value in EGP 000

Item	Current Period	Previous Period
Cash Flows From Operating Activities	2.031.821	4.221.089
Cash Flows From Investment Activities	2.514.679-	-28.650
Cash Flows From Financing Activities	2.230-	148.762-
Currency transactions Gains/Losses	2.146	43.205-



## Summary of business results for Q1 ended in 30/09/2021

### First: Company's comment on the business results:

- Eastern Company Board of Directors approved the Q1 financial results ending on Sep. 30, 2021, where the financial indicators showed a growth in sales, revenues and profits during period.

This quarterly results achieved reflects the sustainable growth by the high performance indicators achieved at all levels, within the framework of the BOD's strategic direction to raise efficiency, make optimal use of the company's available resources, achieve the maximum return on the invested capital, work to reach the targeted benchmark indicators, and maintain sustainable levels of growth as follows :-

- the first quarter ended Sep.30 2021, Eastern Company recorded a net profit of **EGP 1.6 Billion**, with an **increase of 37.4% (YoY)**, compared to EGP1.16 Billion in the same previous quarter last year. The **net profit margin recorded 37% compared to 29%** to increase by 8 basis points.
- EAST achieved in Q1 an increase in the Gross Sales (including value added taxes) by 10.7% (YoY), To record EGP17.49 billion, compared to EGP 15.80 billion in the comparison period, and for the period the volumes of local sales of the company's main brands was recorded increase by 10%(YoY), to reach 17.9 billion cigarettes compared to 16.2 billion cigarettes in the comparison period.
- The company recorded a net revenue for the period of EGP 4.3 billion, compared to EGP 3.9 billion for the same quarter last year, an increase of 9% (YoY), supported by the local cigarette segment.
- The Gross profit record EGP1.95 billion for the Q1 ending on 30/09/2021, with an increase of + 21% (YoY), compared to EGP1.61 billion in the same previous period, and the gross profit margin for the period was 45% to record 4 points increase, and operating profits increased by 15.4% (YoY) compared to the previous year to reach EGP 1.61 billion.
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- It is worth noting that the company's ordinary general assembly decided for the fiscal year ending on 30/6/2021 to distribute cash dividends as DPS 1.6 pounds, and the extraordinary general assembly decided to reduce the capital by executing 20 million treasury shares.

Investor Relations Manager

Mohammed Abdul Rahman Ahmed



## Sales Volume & Value

Item	Unit	Sales Volume				Sales Value			
		2022/2021		CHANGE/VOLUME	VOLUME /YOY	2022/2021		Q1 2021	VALUE /YOY
		Q1 2022	Q1 2021			Q1 2022	% OF TOTAL REVENUE		
* Cigarettes - loca	Million Cigarettes	17886,8	16257,8	1.629,0	10,0%	3.635.790	84%	3.074.616	18,3%
JV	Million Cigarettes	800,4	1503,4	-703,0	-46,8%	85.204	2%	164.653	-48,3%
* Moassel tobacco - local	Ton	1622,4	3053,3	-1.430,9	-46,9%	36.080	1%	69.208	-47,9%
* Captain - local	Ton	1,512	1,83	-0,3	-17,4%	340	0,01%	410	-17,1%
* Cigar - local	Thousand Cigar	282,4	297,6	-15,2	-5,1%	2.019	0,05%	1.176	71,7%
* Tobacco Bristles	Ton	9,485	30,233	-20,7	-68,6%	3.353	0,08%	8.559	-60,8%
* Cigarettes - Export	Million Cigarettes	2,5	14,5	-12,0	-82,8%	595	0,01%	3.462	-82,8%
* Moassel tobacco - Export	Ton	198,4	445,4	-247,0	-55,5%	11.712	0,27%	26.649	-56,1%
* Tobacco Bristles - Export	Ton	0	0	0,0	0,0%	0	0,000%	-	0,0%
* Cigar- Export	Thousand Cigar	0	19,2	-19,2	-100,0%	0	0,000%	76	-100,0%
<b><u>Net Sales - Finished Goods</u></b>						3.775.093	87,6%	3.348.809	12,7%
<b><u>other revenues</u></b>						1.223	0,0%	510	139,8%
<b><u>Manufacturing Fees</u></b>						534.821	12,4%	605.074	-11,6%
<b><u>Operating Revenues</u></b>						4.311.137		3.954.393	9,0%
<b><u>Shipped Foreign Cigarettes</u></b>	Million Cigarettes	4676,8	5233,4	-556,6	-10,6%				

**EASTERN COMPANY (S.A.E)**  
**FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL RESULTS ENDED Sep. 30, 2021**

**EASTERN COMPANY (S.A.E)**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT Sep. 30, 2021**

(Amounts expressed in Thousands of Egyptian Pounds)

	<u>Notes</u>	<u>30/6/2021</u>	<u>30/9/2021</u>
<b><u>ASSETS</u></b>			
<b><u>Non - Current Assets</u></b>			
Property, plant and equipment		4 984 748	4 864 879
Projects under construction		448 045	478 756
Investments property		129 749	129 537
Intangible assets		2 999	2 460
Financial inv. available for sale		5 332 441	5 292 194
Investments long-term		20 668	20 668
Right of use leased assets		273 688	261 684
Other assets		25 654	25 627
<b>Total Non- Current Assets</b>		<b>11 217 992</b>	<b>11 075 805</b>
<b><u>Current assets</u></b>			
Inventories		4 325 387	4 228 820
Trade and notes receivables		409 307	266 496
Debtors and other debit balances		488 276	612 860
Trade payables - advance payments		129 370	138 488
T-bills\ mutual funds		4 200 920	6 715 451
Cash on hand and at banks		1 063 604	580 662
<b>Total Current Assets</b>		<b>10 616 864</b>	<b>12 542 777</b>
<b>Total Assets</b>		<b>21 834 856</b>	<b>23 618 582</b>
<b><u>Equity</u></b>			
Issued and paid capital		2 250 000	2 250 000
Reserves		4 414 989	4 414 989
Treasury stocks		(259 360)	(259 360)
Retained earnings		2 225 095	2 246 267
Net profit for the year		0	1 598 139
Reserve for revaluation inv. available for sale.		(87 020)	(87 020)
<b>Total equity</b>		<b>8 543 704</b>	<b>10 163 015</b>
<b><u>Non - Current Liabilities</u></b>			
Deferred tax liability		135 490	116 595
Long-term employees benefits		468 475	468 475
<b>Total Non-Current liabilities</b>		<b>603 965</b>	<b>585 070</b>
<b><u>Current Liabilities</u></b>			
Provisions		1 630 846	1 705 810
Trade and notes payables		696 038	545 060
Creditors and other credit balances		9 391 553	9 546 345
Trade receivables - advance payments		130 804	54 806
Short term employees benefits		60 307	50 524
Income tax payable		777 639	967 952
<b>Total current liabilities</b>		<b>12 687 187</b>	<b>12 870 497</b>
<b>Total liabilities</b>		<b>13 291 152</b>	<b>13 455 567</b>
<b>Total of equity and liabilities</b>		<b>21 834 856</b>	<b>23 618 582</b>

(Accountant/ Niveen Ali Hussein)  
General Manager / Final accounts and  
financial statements

(Accountant/ Osama Fouad Mohamed)  
Chief of the financial sector

(Mr./ Hany Aman)  
Managing Director and Chief Executive  
Officer

*Translation of Financial Statements*  
*Originally Issued in Arabic*

**EASTERN COMPANY (S.A.E)**  
**STATEMENT OF INCOME**  
**FOR THE FINANCIAL RESULTS ENDED Sep. 30, 2021**  
(Amounts expressed in Thousands of Egyptian Pounds)

	<b><u>30/9/2020</u></b>	<b><u>30/9/2021</u></b>
Sales/Revenue	3.954.393	4.311.137
Cost of goods sold	2.343.394	2.358.993
<b>Gross profit</b>	<b><u>1.610.999</u></b>	<b><u>1.952.144</u></b>
Other income	9.532	9.356
Sale and distribution expenses	165.751	167.625
General and administrative expenses	52.520	68.441
Other expenses	46	107.259
<b>Result of operating activities</b>	<b><u>1.402.214</u></b>	<b><u>1.618.175</u></b>
Financing cost / income	100.366	21.015
Other financial investments revenue	181	401.908
<b>Profit before tax</b>	<b><u>1.502.761</u></b>	<b><u>2.041.098</u></b>
Income tax and deferred tax expenses	339.369	442.959
<b>Profit from continued operations</b>	<b><u>1.163.392</u></b>	<b><u>1.598.139</u></b>
<b>Profit from discontinued operations</b>	--	--
<b>Profit for the year</b>	<b><u>1.163.392</u></b>	<b><u>1.598.139</u></b>
<b>Earnings per share (EGP/share)</b>	<b><u>0.48 per share</u></b>	<b><u>0.68 per share</u></b>

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(Accountant/ Niveen Ali Hussein)  
General Manager / Final accounts and financial  
statements

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(Accountant/ Osama Fouad Mohamed)  
Chief of the financial sector

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(Mr./ Hany Aman)  
Managing Director and Chief Executive Officer

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**EASTERN COMPANY (S.A.E)**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL RESULTS ENDED Sep. 30, 2021**  
(Amounts expressed in Thousands of Egyptian Pounds)

	<b><u>30/9/2020</u></b>	<b><u>30/9/2021</u></b>
Net profit of the year	1 163 392	1 598 139
<b><u>Other Comprehensive Income</u></b>		
Exchange differences resulting from translating the foreign operations	--	--
Financial investments available for sale	--	--
Cash flow hedges	--	--
Re measurements of defined benefit pension plans	--	--
Company share of other comprehensive income from associates	--	--
Income tax relating to other comprehensive income items	--	--
<b>Total other Comprehensive Income of the year after deduct tax</b>	<b>--</b>	<b>--</b>
<b>Total Comprehensive Income for the year</b>	<b><u>1 163 392</u></b>	<b><u>1 598 139</u></b>

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(Accountant/ Niveen Ali Hussein)  
General Manager / Final accounts and  
financial statements

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(Accountant/ Osama Fouad Mohamed)  
Chief of the financial sector

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(Mr./ Hany Aman)  
Managing Director and Chief Executive  
Officer

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**EASTERN COMPANY (S.A.E)**  
**STATEMENT OF CASH FLOW**  
**FOR THE FINANCIAL YEAR ENDED JUNE 30, 2021**

(Amounts expressed in Thousands of Egyptian Pounds)

	<b><u>30/9/2020</u></b>	<b><u>30/9/2021</u></b>
<b><u>Cash flows from operating activities:</u></b>		
Cash sales and collection from receivables	14 566 206	16 579 645
Cash purchases and payments to suppliers	(990 014)	(1 727 425)
Salaries paid	(426 760)	(465 241)
Revenue from operating for others and other revenues	653 987	962 402
Proceeds from credit interest	141 767	32 398
Interest paid	(7)	(13 292)
Taxes and fees paid	(9 723 114)	(13 336 262)
Export subsidy / Grants and Subsidies	284	412
Proceeds from insurance claims	1 310	151
Other payments	(2 570)	(967)
<b>Net Cash flows from operating activities</b>	<b><u>4 221 089</u></b>	<b><u>2 031 821</u></b>
<b><u>Cash flows from investing activities</u></b>		
Disbursement for purchasing fixed assets (projects under construction)	(28 650)	(40 394)
Treasury Bills purchased		(17 615 946)
Bonds purchased		(1 390 819)
Mutual funds inv.certificate purchased		(50 000)
Mutual funds inv.certificate sales		55 000
Treasury Bills sales		15 096 415
Bonds sales		1 431 065
<b>Net Cash flows from investing activities</b>	<b><u>(28 650)</u></b>	<b><u>(2 514 679)</u></b>
<b><u>Cash flows from financing activities</u></b>		
Dividends paid	(11 175)	(2 230)
Treasury Stocks purchased	(137 587)	
<b>Net Cash flows from financing activities</b>	<b><u>(148 762)</u></b>	<b><u>(2 230)</u></b>
Foreign currency exchange differences losses and gain	(43 205)	2 146
<b>Net cash for the period from 1/7/2021 to 30/9/2021</b>	<b><u>4 000 472</u></b>	<b><u>(482 942)</u></b>
<b>Cash and cash equivalent at 1/7/2021</b>	<b><u>7 438 434</u></b>	<b><u>1 063 604</u></b>
<b>Cash and cash equivalent at 30/9/2021</b>	<b><u>11 438 906</u></b>	<b><u>580 662</u></b>

(Accountant / Mohamed Khalil Khalil)  
Head of current account and financing sector

(Mr./ Hany Aman)  
Managing Director and Chief Executive  
Officer