

# Q2 Financial Results 22|23

## Dec.2022

# 6M 2022 results highlights (H1)

Outstanding operational performance with Double-digit growth



## Revenue

(EGPbn)

10 bn

+16% YoY

## Gross Profit

(EGPbn)

5 bn

+27% YoY

Gross profit margin of 50%, (+500 bps) YoY

## EBIT

(EGPbn)

3.5bn

+19% YoY

EBIT margin of 35%, (+100 bps) YoY

## Net profit

(EGPbn)

3.5bn

+19% YoY

Net profit margin of 35%, (+100 bps) YoY

## H1 22|23: Data continues to take the lead

- ✓ Increase in Gross Sales (including taxes) by +9% YoY compared to the same period of the previous year to reach EGP 37.5 billion compared to EGP 34.2 billion for the previous period.
- ✓ Revenues recorded EGP 9.93 billion compared to EGP 8.53 billion in the same period of the previous year, to achieve an increase of +16% YoY due to an increase in the values of local cigarette sales segment +27% YoY (90% of total revenue), as well as an increase in the values of JV sales segment +33% YoY (2% of total revenue).
- ✓ The company recorded a Gross profit EGP 4.93 billion, with an increase of +27% YoY compared to EGP 3.86 billion, GPM 50% for H1 ending Dec.2022 compared to 45% the same period of the previous year.
- ✓ EAST recorded EGP 3.49 billion in Net profit increased by +19% YoY compared to EGP 2.9 billion previous period. NPM 35% for the period.

# Q2 22|23 results highlights

Double-digit growth crowned by solid Net profit growth & margins



## Revenue

(EGPbn)

5.3 bn

+26 % YoY / +15% QoQ

## Gross Profit

(EGPbn)

2.6 bn

+34% YoY / +9% QoQ

Gross profit margin of 48%, (+300 bps) YoY

## EBIT

(EGPbn)

1.9bn

+45% YoY / +19% QoQ

EBIT margin of 36%, (+500bps) YoY

## Net profit

(EGPbn)

2 bn

+58% YoY / +48% QoQ

Net profit margin of 39%, (+800 bps) YoY

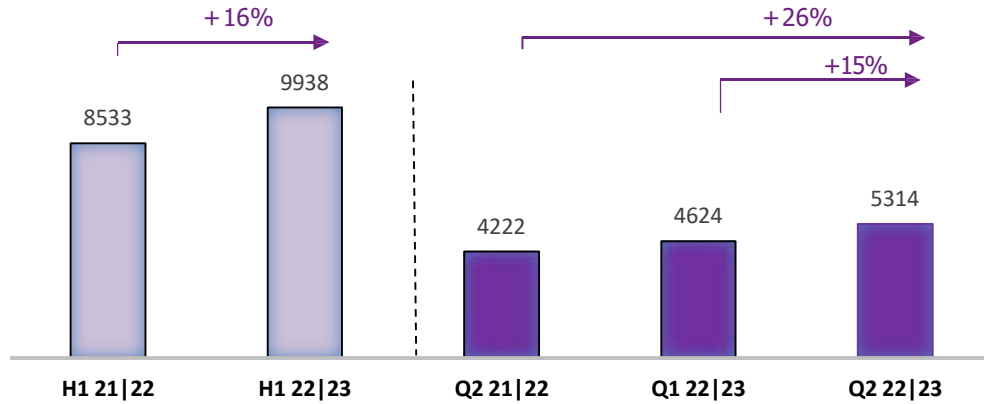
## Q2 22|23: Robust growth

- ✓ Increase in Gross Sales (including taxes) by +18% YoY compared to the same quarter of the previous year to reach EGP 19.8 billion compared to EGP 16.8 BN for the previous Q2.
- ✓ Revenues recorded EGP 5.3 BN compared to EGP 4.2 BN in the same quarter of the previous year, to achieve an increase of +26% YoY, +15% QoQ due to an increase in the values of local cigarette sales segment (90% of total revenue), as well as an increase in the values of JV sales segment (2% of total revenue).
- ✓ The company recorded a Gross profit in Q2 ending Dec.2022 by EGP 2.57 billion, an increase of +34% YoY, +9% QoQ compared to EGP 1.9 BN & EGP 2.36 BN respectively .The GPM was 48% for this quarter, compared to 45% the same quarter of the previous year.
- ✓ EAST recorded EGP 2 billion in Net profit with a significant increase by +58% YoY , +48% QoQ compared to EGP 1.3 billion & EGP 1.4 billion respectively. NPM recorded 39% compared to 31% same previous period .

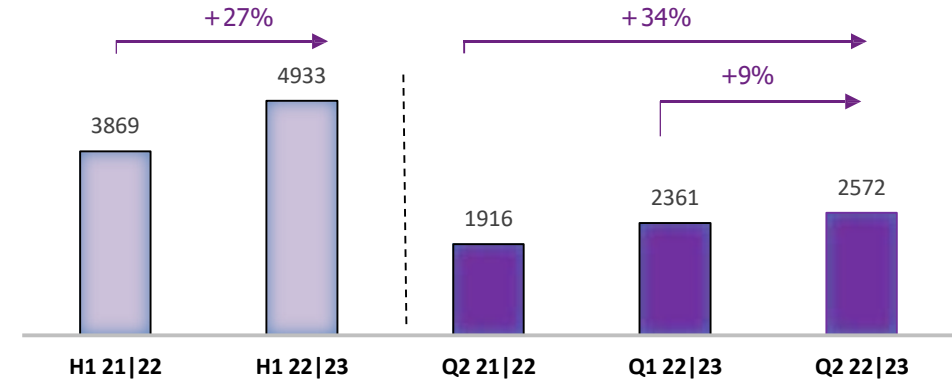
# Financial highlights



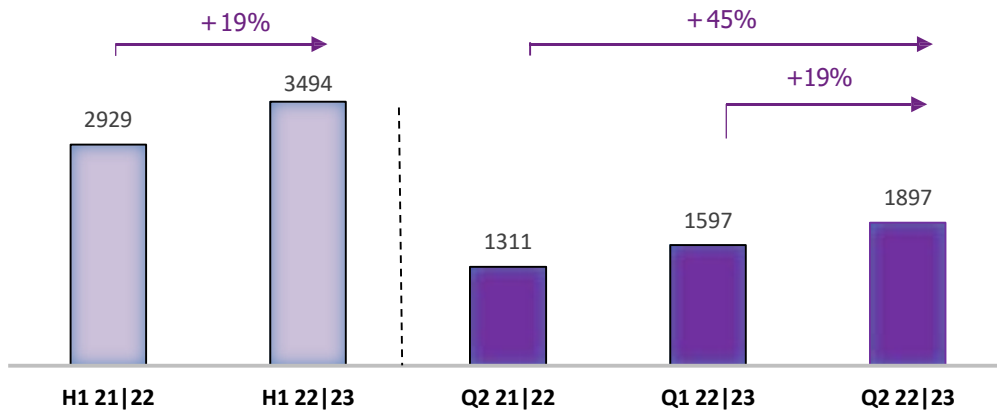
**Revenue**  
(EGP mn)



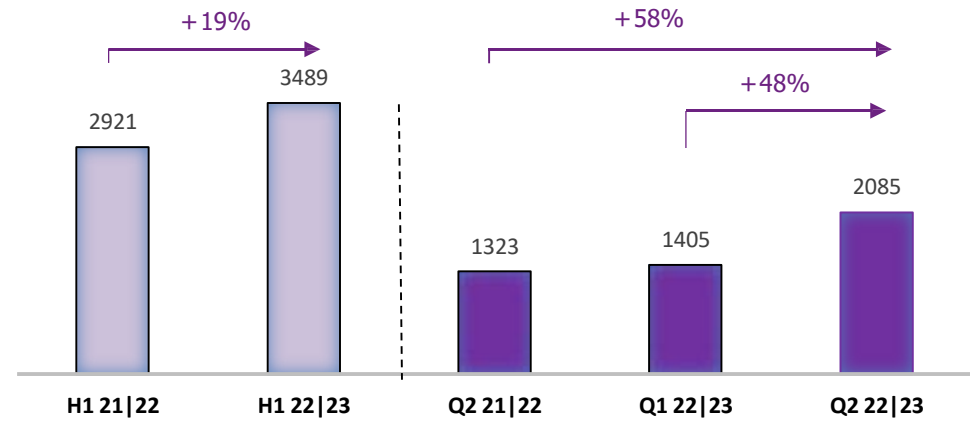
**Gross Profit**  
(EGP mn)



**Operating Profit**  
(EGP mn)

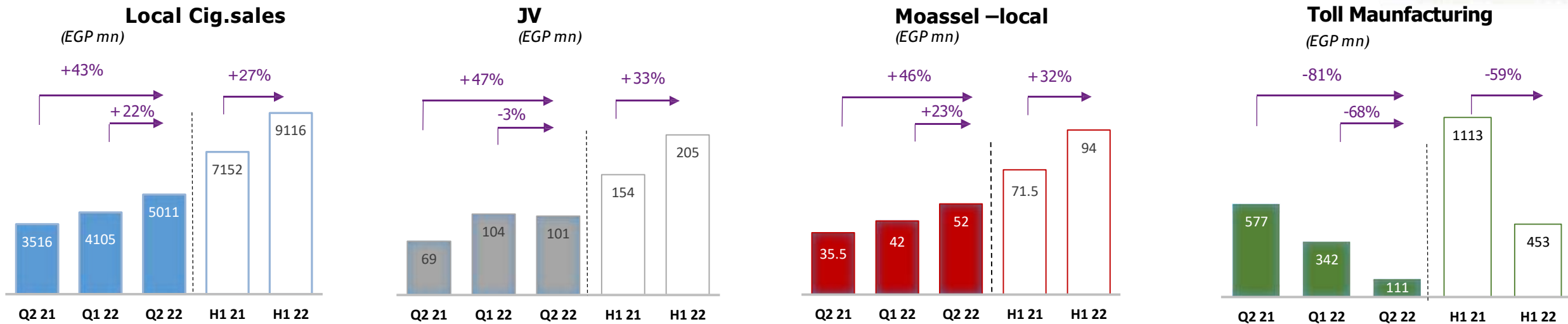


**Net profit**  
(EGP mn)



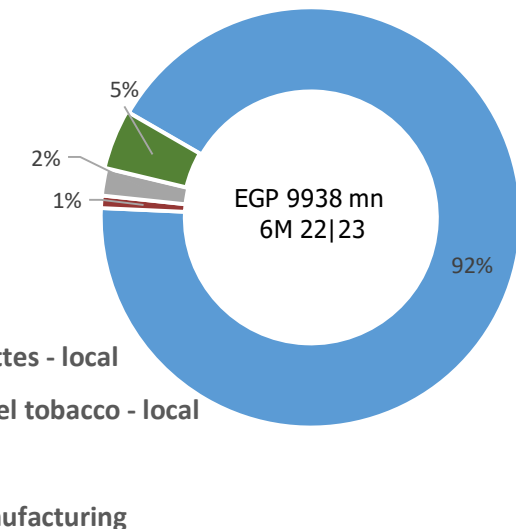
# Revenue by business unit

Strong performance led by local Cig.main brands revenues



## Q2 |H1 22/23performance:

- ✓ Top line grew 16% YoY on higher local cig, JV, and Moassel revenues, which increased YoY by 27%, 33%, and 32%, respectively.
- ✓ Local cig. Segment volumes came in at 34.4 bn, -2% YoY, representing 92% of the top line. Volumes level on quarterly basis +8%QoQ & +4YoY.
- ✓ JV revenues grew 33% YoY representing 2% of the top line, this segment volumes increased +1% for 6 m period & +2% in this quarter.
- ✓ Moassel revenues climbed +32% YoY representing 1% of the top line, came mainly on higher volumes +37% YoY on 6m period, on quarterly basis this segment volumes hike by +54%YoY & +24% QoQ.
- ✓ Toll manufacturing segment representing 4.6% of the top line, decreased significantly in values and volumes in this quarter by -81% & -88% YoY respectively due to the PMI exit and UTC new license, on other hand the management succeeded to deliver astrong results without depends on this segment.



# Revenue by business unit (Q2 22|23)



Item	Unit	Sales Volume					Sales Values					
		Actual 22/23		Previous Period			Actual 22/23		Previous Period			
		Q2 22	Q1 22	Q2 21	VOL. QoQ	VOL. YoY	Q2 22	% OF TOTAL REVENUE	Q1 22	Q2 21	QoQ	% YOY
* Cigarettes - local	Million Cigarettes	17840,7	16582,8	17210,0	8%	4%	5011347,0	94,3%	4104905	3516682	22%	43%
* Moassel tobacco - local	Ton	2439,3	1969,7	1584,7	24%	54%	51904	1,0%	42270	35450	23%	46%
* Cigar - local	Thousand Cigar	384,6	289,1	253,5	33%	52%	2525	0,0%	2104	1745	20%	45%
* Tobacco Bristles& vergeni	Ton	17,8	14,261	15,3	25%	17%	6080	0,1%	4979	5198	22%	17%
* Cigarettes - Export	Million Cigarettes	29,2	37	27,1	(21%)	8%	9782	0,2%	10578	6342	(8%)	54%
* Moassel tobacco - Export	Ton	215,6	172,3	137,0	25%	57%	18891	0,4%	12239	8279	54%	128%
* Cigar- Export	Thousand Cigar	0,0	23,7	21,2	(100%)	(100%)	0	0,0%	151	111	(100%)	42%
Other revenues		0,0	0,0	0,0			981	0,0%	1015	1474	(3%)	
<b>Net local Sales</b>	-	0,0	-	0,0			5101510	<b>96,0%</b>	4178241	3575281	22%	43%
<b>JV</b>	Million Cigarettes	674,5	800,2	664,3	(16%)	2%	101109	1,9%	103774	68917	(3%)	47%
<b>Toll Manufacturing</b>	Million Cigarettes	612,6	2776,9	5100,8	(78%)	(88%)	111129	<b>2,1%</b>	342157	577715	(68%)	(81%)
<b>Revenues( million)</b>	-	-	-	-			<b>5313748</b>		<b>4624172</b>	<b>4221913</b>	<b>15%</b>	<b>26%</b>

# Revenue by business unit (H1 22|23)



Item	Unit	Sales Volume			Sales Values				
		Actual 22/23		Previous Period		Actual 22/23		Previous Period	
		From 1/7/2022 to 31/12/2022	From 1/7/2021 to 31/12/2021	VOLUME %/YOY	H1 22	% OF TOTAL REVENUE	H1 21	% YOY	
* Cigarettes - local	Million Cigarettes	34423,5	35096,7	(2%)	9116252	91,7%	7152472	27%	
* Moassel tobacco - local	Ton	4409,0	3207,1	37%	94174	0,9%	71530	32%	
* Cigar - local	Thousand Cigar	673,7	535,9	26%	4629	0,0%	3764	23%	
* Tobacco Bristles& vergeni	Ton	32,104	26,266	22%	11059	0,1%	8891	24%	
* Cigarettes - Export	Million Cigarettes	66,2	29,6	124%	20360	0,2%	6937	193%	
* Moassel tobacco - Export	Ton	387,89	335,4	16%	31130	0,3%	19991	56%	
* Cigar- Export	Thousand Cigar	23,7	21,2	12%	151	0,0%	111	36%	
Other revenues		0,0	0,0		1996	0,0%	2697	(26%)	
<b>Net local Sales</b>		-	-		<b>9279751</b>	<b>93,4%</b>	<b>7266393</b>	<b>28%</b>	
<b>JV</b>	Million Cigarettes	1474,7	1464,7	1%	204883	2,1%	<b>154121</b>	<b>33%</b>	
<b>Toll Manufacturing</b>	Million Cigarettes	3389,5	9777,6	(65%)	453286	<b>4,6%</b>	<b>1112536</b>	<b>(59%)</b>	
<b>Revenues( million)</b>		-	-		<b>9937920</b>		<b>8533050</b>	<b>16%</b>	

# Income statement (Q2 - H1 22|23)



<i>In EGP mn</i>	H1 22 23	H1 21 22	YoY	Q2 22 23	Q1 22 23	Q2 21 22	QoQ	YoY
<b>Total Gross Sales</b>	<b>37471</b>	<b>34288</b>	<b>9%</b>	<b>19788</b>	<b>17683</b>	<b>16797</b>	<b>12%</b>	<b>18%</b>
V.A.T	25566	23786		13505	12061	11666		
Health ins. Tax	1967	1970		970	950	909		
<b>Revenues</b>	<b>9938</b>	<b>8533</b>	<b>16%</b>	<b>5314</b>	<b>4624</b>	<b>4222</b>	<b>15%</b>	<b>26%</b>
COGS	5005	4664	7%	2742	2263	2306	21%	19%
<b>Gross Profit</b>	<b>4933</b>	<b>3869</b>	<b>27%</b>	<b>2572</b>	<b>2361</b>	<b>1916</b>	<b>9%</b>	<b>34%</b>
Other Revenues	295	30		197	98	21		
Sales& Marketing Exp.	-342	-354	-3%	-183	-159	-187	15%	-2%
Admin.&G Exp.	-141	-152	-8%	-76	-65	-82	17%	-7%
other Exp.	-1251	-464		-613	-638	-357	-4%	72%
<b>EBIT</b>	<b>3494</b>	<b>2929</b>	<b>19%</b>	<b>1897</b>	<b>1597</b>	<b>1311</b>	<b>19%</b>	<b>45%</b>
<b>financing income /Expenses</b>	<b>258</b>	<b>36</b>		<b>266</b>	<b>-8</b>	<b>15</b>		
Other financing income	713	816	-13%	342	371	414	-8%	-18%
<b>Net profit Pre-Tax</b>	<b>4465</b>	<b>3781</b>	<b>18%</b>	<b>2505</b>	<b>1960</b>	<b>1741</b>	<b>28%</b>	<b>44%</b>
Income Tax	-976	-861	13%	-420	-556	-418	-24%	1%
<b>Net profit from continues operations</b>	<b>3489</b>	<b>2921</b>	<b>19%</b>	<b>2085</b>	<b>1405</b>	<b>1323</b>	<b>48%</b>	<b>58%</b>
<b>NET PROFIT</b>	<b>3489</b>	<b>2921</b>	<b>19%</b>	<b>2085</b>	<b>1405</b>	<b>1323</b>	<b>48%</b>	<b>58%</b>
EPS	<b>1.47</b>	<b>1.23</b>		<b>0.89</b>		<b>0.55</b>		



# Thank you

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