



Domty 3Q2021 unaudited profits reach EGP 51 million with a growth of 24 % year on year

—Highlights of 3Q21—

Revenues

EGP 956 mn

Gross Profit

EGP 222.8 mn

Gross Profit Margin

23.31%

Operating Profit

EGP 73.4 mn

Net Income

EGP 51 mn

Net Income Margin

5.33 %

HIGHLIGHTS OF THE CONSOLIDATED INCOME STATEMENT:

(Numbers in EGP million):

Description	3Q2021(unaudited)	2Q2021	1Q2021	4Q2020	3Q2020
Net Sales	956	670	647.1	815.7	724.1
Gross profit	222.8	140.1	132.7	205.3	179.5
Gross Profit Margin	23.31%	20.92%	20.51%	25.16%	24.80%
EBIT	73.4	-6.2	9.5	83.4	69.8
EBIT Margin	7.68%	-0.93%	1.47%	10.23%	9.65%
Net Profit Before Tax	55.9	-22.5	-1.9	69.9	56.4
Profit Margin Before Tax	5.85%	-3.36%	-0.29%	8.56%	7.79%
Net Profit	51	-29.1	-3.4	52.9	41.3
Net Profit Margin	5.33%	-4.35%	-0.53%	6.48%	5.7%



Cairo, 12 October 2021

Arabian Food Industries Company Domty S.A.E. (DOMT.CA on the Egyptian Exchange), announced its consolidated results for 2Q2021 and its unaudited Income Statement for 3Q2021.

Domty quickly succeeded in turning profitable in the third quarter of this year, after successfully exiting all its agents in the first half of the year.

Commenting on the 3rd quarter's performance, Domty CEO Mr. Mohamed El Damaty said:

We passed a very crucial stage in the first half, yet the success in the third quarter exceed our expectations. The company succeeded in reaching a turnover of EGP 956 million, with a growth rate of 32% compared to 3Q2020.

We succeeded despite of a weak July sales due to the holidays plus schools were closed throughout this quarter. All sectors were able to achieve a great growth. White Cheese grew by more than 28%, as well as mozzarella. Juice also grew in volume by 8%, and baked goods grew by more than 45% in sandwiches despite of price increases.

We had a successful milk launch and we were able to achieve a 1.5% market share in less than 3 months and despite our inability to fully meet the market needs due to capacity constraints.

Our export business also was also very positive and our greatest success was reducing our accounts receivable days to 58 days, which is the lowest number in the history of the company that is due to exiting the agents, yet we still seeking to reduce this number further.

On the profitability front, despite the significant increase in raw materials prices and with the company's modest price increase, we succeeded in reaching EGP 51 million in net income, which is a number that we are still aiming to increase by sales growth and hence increase in the share of bakery sector of total company sales with the schools reopening at the beginning of the 4Q2021.

The company is optimistic in continuing our sales growth pace consequently we believe that we are able to end the year with a growth of 10% sales over last year, despite the decline in sales in the first half.



Hence we believe in our ability to improve Domty profitability based on our anticipation in the stability of raw material prices going forward.

4Q2021 looks good and has a lot of positive indicators, the company operates at a 90% capacity in the bakery lines, consequently we contracted two new lines, including a line for producing fresh croissants, plus we are expanding our capacity of the juice factory to meet the needs for local and export markets and also expanding our milk capacity to introduce flavored milk, cooking and whipping cream.

On the other hand, the company succeeded in concluding a contract with the ministry of Education for supplying schools with sandwich and juice products to be offered to students, the contract value of EGP 300 million annually, starting from next week, that contract will lock 100 % of our juice and bakery factory capacities.

As for cheese, the massive growth that occurred led us to study increasing our cheese factory capacity next year, especially with the commencement of the co packing agreement with FrieslandCampina starting 4Q2021 and the launch of their products of white cheese in the local market, which will be produced and packed at Domty factories, plus by the beginning of 2022 we will start our export business through **Fridom Dairy International Company**, which was established in partnership with FrieslandCampina.

At the end, we would like to thank everyone for bearing all the consequences due to exiting the agents at this difficult time, which greatly affected the company's business, but the long-term results are the most important and the company is now preparing to set its plans to reach EGP 4 billion sales in 2022 with a record high of EGP 240 million targeted net profit.

For viewing the full set of financials kindly visit domty.org

About Arabian Food Industries Company Domty S.A.E.

Domty, founded in 1988 and headquartered in Egypt, is a leader in the growing Egyptian cheese and juice market. The Company manufactures markets and distributes a range of branded white and processed cheeses and juice products, with a family of nearly 200 SKUs under a brand portfolio including Domty, Damo, Gebnety and Bravo. Domty is a household name and the number-one cheese producer in the nation by market share. The



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Company sells to tens of thousands of retail and business customers as well as to more than 46 export destinations. Learn more about Domty by visiting Domty.org

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