



the sweet side of life

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Edita Food Industries S.A.E.

25 October 2021

Edita Food Industries raises price points across flagship Molto range

The price increases mark further progress on Edita's portfolio optimisation strategy, while mitigating the impact from rising global commodity prices and enhancing the company's profitability

Cairo, 25 October 2021

Edita Food Industries S.A.E. (EFID.CA on the Egyptian Exchange & EFID.L on the London Stock Exchange), a leader in the Egyptian packaged snack food market, announced today that it has increased prices across the Molto product range at its baked goods segment.

Key Molto products previously priced at EGP 2.0 per pack have been raised to EGP 3.0, while products priced at EGP 3.0 per pack have increased to EGP 4.0. Edita's Molto products priced at EGP 5.0 per pack have been left unchanged.

These increases come as part of the company's portfolio optimisation strategy, which has seen Edita capitalize on its brand equity to migrate consumers towards higher price points while continuing to cater to customers' evolving tastes and preferences. Moreover, the increases will help Edita to enhance its profitability in light of global inflationary pressures and rising commodity prices. Upward adjustment of price points also comes as Edita reports record-high utilisation rates at the company's bakery production lines, reflecting strong growth in demand for its Molto products. Edita has complemented the price-point increases with the acquisition of an additional bakery production line, announced in June 2021 and scheduled to commence production by end of 1Q2022. The new facility is expected to increase the bakery segment's capacity by 20%. Edita held a market share of 65.8% in the bakery segment as at May 2021, with strong year-on-year gains driven by the Molto Magnum and Molto Mini Magnum SKUs.

Commenting on the price rises, Edita Chairman Eng. Hani Berzi said: "Having introduced a host of innovative new products in 2020 and 2021 and made important investments in expanding our production capacity, Edita has moved to leverage its dominant market position by adjusting price points across our Molto product range. Besides marking important progress on our portfolio optimisation strategy, the increases will help mitigate the effects of heightened raw material costs, which come as global energy shortages and supply chain dislocations have pushed global commodity prices to multiyear highs. This reflects our priority of continuing to deliver profitable growth and generating long-term sustainable value."

Edita's bakery segment generated 38.4% of the company's consolidated revenues in 2Q2021, up from 34.1% recorded one year previously. Edita is a pioneer in the segment, having introduced Egypt's first packaged croissant brand. The company now offers more than 30 innovative SKUs under its flagship Molto brand.

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About Edita Food Industries S.A.E.

Edita, founded in 1996 and headquartered in Egypt, is a leader in the growing Egyptian packaged snack food market. The Company manufactures, markets and distributes a range of branded baked snack products including packaged cakes, bakery, rusks (baked wheat), wafers and biscuits as well as selected confectionary/candy products. The Company's local brand portfolio includes household names such as Todo, Molto, Bake Rolz, Bake Stix, Fres-ka, Oniro and MiMix. The Company also has the exclusive ownership of the international HTT brands Twinkies, Hoho's and Tiger Tail in Egypt, Libya, Jordan, Palestine, Morocco, Algeria, Tunisia, Syria, Lebanon, Iraq, Bahrain, Oman, the UAE, Kuwait, Qatar and Saudi Arabia; and is party to a technical assistance and know-how agreement to manufacture 11 additional HTT brands across its territories. The Company holds strong number-one market positions in its core cake and bakery segments as well as in candy, a number-two market position in rusks and a growing market position in the wafers segment. In 2Q2021, the Company derived 95.0% of its revenue from Egypt and 5.0% from regional export markets. Learn more at ir.edita.com.eg.

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