



## **Edita Food Industries Signs Memorandum of Understanding With Dislog Group to Establish Joint Venture in the Kingdom of Morocco**

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*The joint venture will see Edita and leading Moroccan distributor Dislog Group establish a manufacturing facility — a cornerstone in realizing Edita’s strategy of expanding its regional footprint as it embarks on a path to becoming a home-grown, multi-country player.*

Cairo, 10 December 2017

Edita Food Industries S.A.E. (EFID.CA on the Egyptian Exchange and EFIFq.L on the London Stock Exchange), a leader in the Egyptian packaged snack food market announced today it will directly enter the Moroccan snack food market through a greenfield investment with Morocco’s Dislog Group.

Edita signed a memorandum of understanding with the leading local distributor to form a joint venture, “Edita Food Industries – Morocco”, that leverages Edita’s manufacturing and technical industry experience and competitive products combined with Dislog’s extensive distribution network and logistical strength. The terms of the agreement stipulate that Edita will be majority owner of the venture with 51% stake.

Commercial operations will begin in early 2018 with exports of Edita’s products to Morocco, while the second stage will entail the establishment of a state-of-the-art manufacturing facility in 2019 with an initial investment estimated at around USD 10 million.

Dislog Group has substantial distribution muscle with over 65,000 distribution points across the kingdom and a fleet of more than 780 vehicles and 26 regional warehouses serving the demands of 35 million consumers nationwide. The group covers the full sales and distribution value chain from factory to consumer and is the trusted partner of global brands.

“Edita will share values and natural synergies in expertise with Dislog, whether it’s in our approach to business, our respective industry know-how or our growth ambitions. Morocco itself is a very attractive market due to its strong domestic demand and significant growth potential in the segments in which we operate,” said Edita Chairman and Managing Director Hani Berzi.

“This partnership is an exciting new step in our journey from a leading local manufacturer into a competitive regional player. As we enter the Moroccan market, we aim to capitalize on our successful track record and replicate a proven business model of marketing and manufacturing excellence, calling on the same expertise in research and development, production, and distribution that has seen us succeed in Egypt. We will continue to be aggressive in terms of delivering on our long-term strategy to maximize growth. I look forward to reporting on our progress in Morocco and other regional markets in the years ahead as we continue to grow and diversify our revenue streams and create value for all our shareholders,” Berzi added.

Egypt-based Edita is the leading provider of packaged snack food in North Africa’s largest consumer market and a growing exporter. It manufactures, markets and distributes a range of branded baked snack products while controlling a market-leading portfolio of proprietary brands.



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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, croissants, rusks (baked wheat), and wafers as well as selected confectionary/candy products. The Company's local brand portfolio includes household names such as *Todo*, *Molto*, *Bake Rolz*, *Bake Stix*, *Freska* 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 croissant segments, a number-two market position in rusks, and growing market positions in the wafers and candy segments. In 3Q2017, the Company derived c. 92% of its revenue from Egypt and c. 8% from regional export markets. Learn more at [ir.edita.com.eg](http://ir.edita.com.eg).

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Forward-looking statements reflect the current views of the Company's management ("Management") on future events, which are based on the assumptions of the Management and involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The occurrence or non-occurrence of an assumption could cause the Company's actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements.

The Company's business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to differ materially from those expressed or implied by the forward-looking statements contained in this prospectus. The information, opinions and forward-looking statements contained in this communication speak only as at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-



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