



**C O N C R E T E**

**F A S H I O N G R O U P**

Offering customers World-Class Quality and Global  
Competitiveness for more than 100 years



# Overview

Publicly listed company with a

39%

free float and the rest is owned by Arafa Family.

Free zone company



Financials, Stock traded in USD.

5%

of Egypt's total garment exports.

80%

Exports Business

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# Overview

+8,000  
**Employees.**



**Manufacturing home for  
luxury garments.**

**Homegrown luxury brand  
"CONCRETE" with**

+45

**retail stores  
across Egypt.**

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## Ermenegildo Zegna

50:50

**Partnership With Zegna for shirt  
factory in Beni Suef from 2012 till 2020**

## PAL ZILERI

35%

**Owners Of Pal Zileri along with Mayhoola  
the owner of Valentino and Balmain from  
2008 till 2016**

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**We manufacture for**

Massimo Dutti Brooks Brothers

RALPH  LAUREN

UNITED 

RAMSEY

Calvin Klein

JOSEPH  ABBOUD

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JOOP!

MANGO

Ermenegildo Zegna

 the magic of  
macy's

LAUREN  
RALPH LAUREN

VRG  
VISTULA RETAIL GROUP

BOGGI  
MILANO

TOMMY  HILFIGER

TED BAKER  
LONDON

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# Egypt's Unique Value Proposition

## Proximity to End Markets

- Egypt's location allows a **competitive lead time** on shipments and relatively **low transportation costs**.
- Geographical location of Egypt enables Concrete Fashion Group to **respond quickly** to seasonal shifts “market trends” and consumer taste.

## Low-Cost Environment

- Egypt offers a **sizeable young labor force**, with over 50% of the population under the age of 30, at a relatively low cost compared to other emerging markets that operate in the labor-intensive Apparel & Tailoring segment.
- Costs of inputs for **infrastructure** and **utilities** are among the least expensive in the region.



Egypt offers **advantages** including **proximity & low-cost to end markets** and a basket of **beneficial trade agreements**

## Preferential Trade Agreements

- A number of preferential trade agreements — including agreements with the United States, the European Union, COMESA, Turkey and the GCC countries — position Egypt as a **prominent hub for export-oriented companies**.

## Government Incentive Programs

- Egypt's free zones offer **tax incentives to export-oriented manufacturers**; CFG's manufacturing facilities in free zone areas allow it to benefit from these incentives (**Duty free zones**).
- The government maintains the long-encouraged export activity through offering **incentives programs** in support of **export-oriented manufacturers**.



Egypt offers **advantages** including **proximity & low-cost to end markets** and a basket of **beneficial trade agreements**



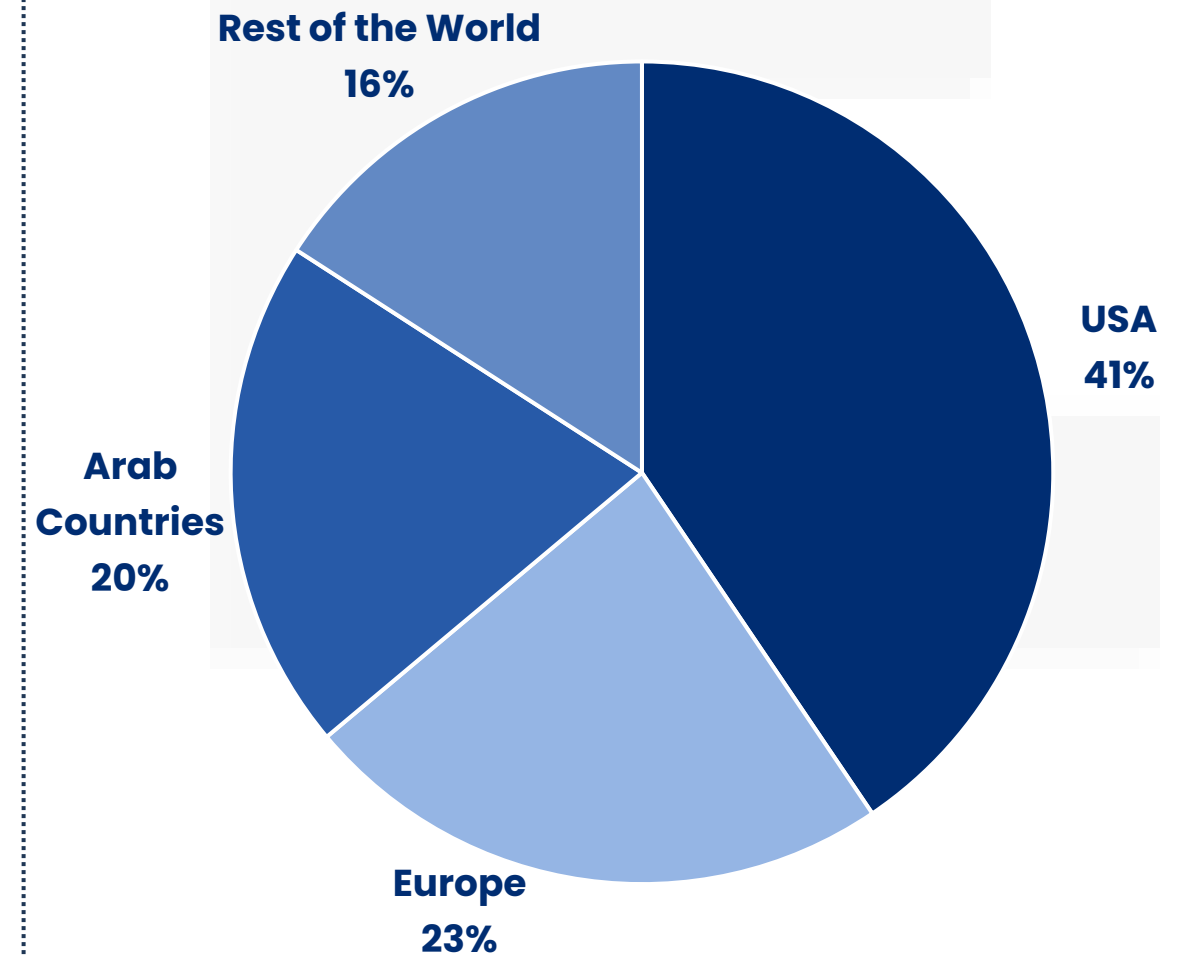
# Overview on Egypt's Ready-Made Garments (RMG) Industry

- Main export regions include **USA & Europe** contributing **41% & 23%** respectively of total RMG exports as of **April 2024**.
- The **RMG sector** plays a crucial role in the **textile and apparel industry**, mostly owned by private entities.
- **Swiss Garment Company (SGC)** – Concrete Fashion Group subsidiary for exporting formal menswear – is one of the largest Egyptian exporters of ready-made garments to **USA & Europe**.
- Sector benefits from government support due to being a labor-intensive sector and a **source of foreign currency** inflows.

RMG Sector Contribution (USD in millions)	2018	2019	2020	2021	2022	2023	2024*
RMG Exports	1,604	1,697	1,456	2,080	2,499	2,437	1,559
Growth Rate %	10%	6%	-14%	43%	20%	-2%	-

\*2024 exports are as of June 2024 with a growth rate 18% compared to June 2023

Source: Apparel Export Council of Egypt Report dated June 2024



Regional Breakdown of RMG export, April 2024





**Business model**

# Concrete Fashion Group has two business divisions

RMG Export Business

**Jackets**

Formal  
Casual

**SHIRTS**

**TROUSERS**

Formal  
Casual

Retail Business

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**euromed**

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Ilmwæsttörr Þræssæmttættiðom HÍu l2y0 20 24



## Backed by World-Class Manufacturing and Exporting Capacities

**+1.5  
Million**

**Jackets**

Formal  
Casual

**+4  
Million**

**Trousers**

Formal  
Casual

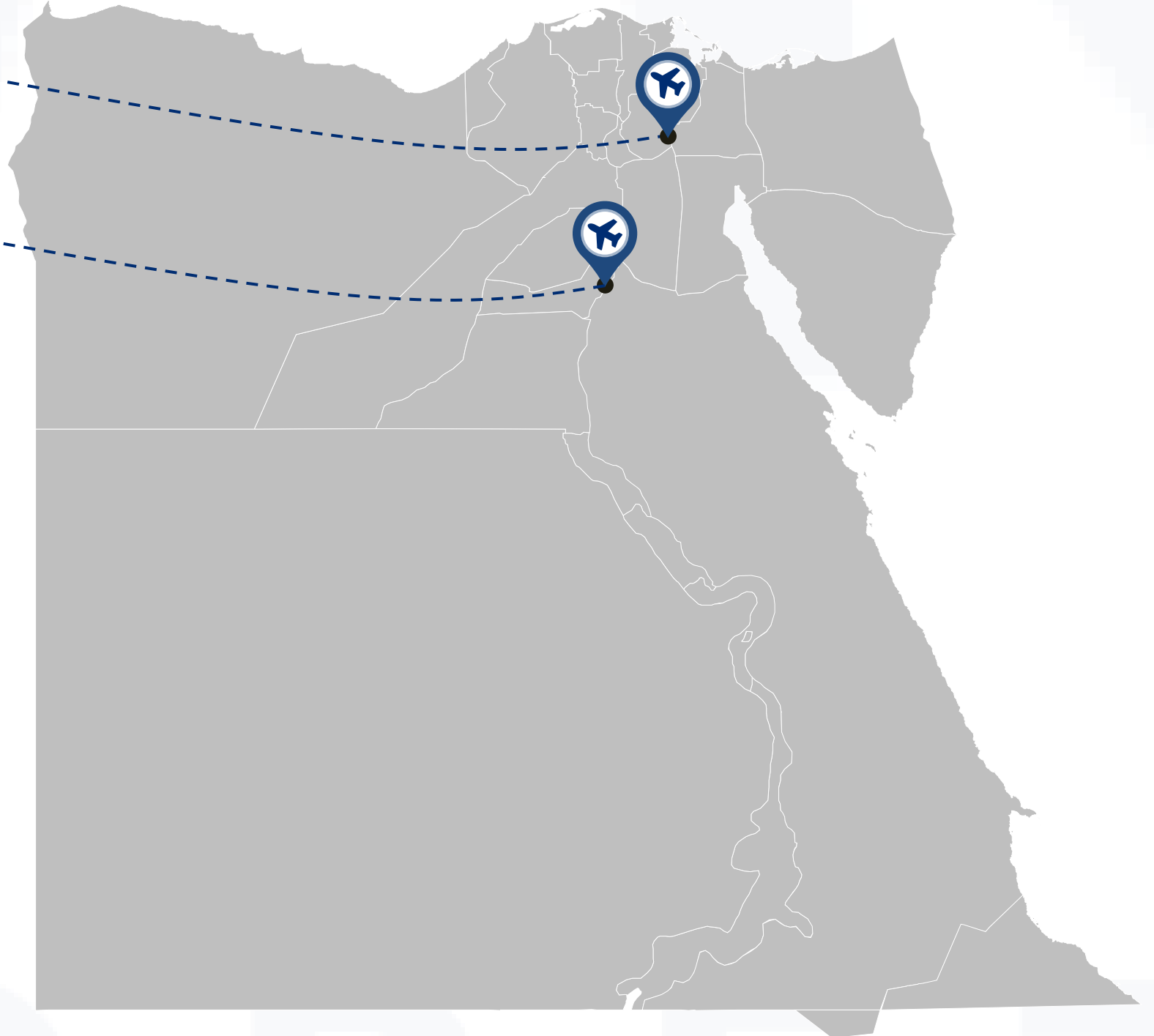
**+1  
Million**

**Shirts**

## Production Facilities

10<sup>th</sup> of Ramadan

Beni Suef



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**Strong Retail business with substantial market share**

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- **51 stores** in Egypt.
- **Homegrown luxurious** brand in Egypt inspired by **Italian designs** and **materials**.
- Offering **Made to Measure service** with exclusive Italian fabrics.
- Turnover **USD 23.0 million** in **FY 2023**.

**eunomeo**

- **9 stores** in Egypt.
- **Homegrown wholesale** and **uniform** business in Egypt.
- Turnover **USD 7.0 million** in **FY 2023**.

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# FY-2023 CFG Income Statement

(CONSOLIDATED FIGURES)

- The Group reported consolidated **net sales** of **USD 150.8 million**, up 3.4% y-o-y.
- The group also reported **EBITDA** y-o-y growth of 35.2% to **USD 37.4 million** on the back of improving profitability across both its manufacturing and retail segments.
- Consolidated **net profit** reached **USD 12.8 million**, up 3.2% versus the previous year.

USD M	2022	2023	Change
Net Sales	145.9	150.8	3.4%
COGS	(96.5)	(96.3)	-0.2%
Gross Profit	49.3	54.5	10.4%
<b>GP Margin</b>	<b>33.8%</b>	<b>36.1%</b>	<b>2.3 pts.</b>
EBITDA	27.7	37.4	35.2%
<b>EBITDA Margin</b>	<b>19.0%</b>	<b>24.8%</b>	<b>5.8 pts.</b>
EBIT	20.6	32.2	56.9%
<b>EBIT Margin</b>	<b>14.1%</b>	<b>21.4%</b>	<b>7.3 pts.</b>
Net Income	12.4	12.8	3.2%
<b>NP Margin</b>	<b>8.5%</b>	<b>8.5%</b>	<b>5.8 pts.</b>



# H1-2024 CFG Income Statement

(CONSOLIDATED FIGUERS)

- The Group reported consolidated **net sales** of **USD 65.9 million** in H1 2024 compared to USD 67.6 million in H1 2023
- The group also reported **EBITDA** y-o-y growth of 63.9% to **USD 19.8 million** on the back of improving profitability, along with COGS and SG&A efficiency enhancement.
- Consolidated **net profit** reached **USD 9.8 million** in **H1 2024**, with a margin of 14.8% compared to **USD 0.2 million in H1 2023** , with a margin of 0.2%.

USD M	H1 2023	H1 2024	Change
Net Sales	67.6	65.9	-2.4%
COGS	(47.4)	(38.2)	-19.5%
Gross Profit	20.1	27.7	37.9%
<b>GP Margin</b>	<b>29.8%</b>	<b>42.1%</b>	<b>12.3 pts.</b>
EBITDA	12.1	19.8	63.9%
<b>EBITDA Margin</b>	<b>17.9%</b>	<b>30.0%</b>	<b>12.1 pts.</b>
EBIT	9.8	17.4	77.2%
<b>EBIT Margin</b>	<b>14.5%</b>	<b>26.4%</b>	<b>11.9 pts.</b>
Net Income	0.2	9.8	-
<b>NP Margin</b>	<b>0.2%</b>	<b>14.8%</b>	<b>14.6 pts.</b>



**CFG**

# Balance Sheet

(CONSOLIDATED FIGURES)

- **Receivables** stood at **USD 45.0 million** in H1 2024 compared to USD 40.2 million in FY 2023.
- **Inventory** balances recorded **USD 89.6 million** in H1 2024 a decrease from the USD 95.6 million in inventories booked in FY 2023.
- On the Liabilities front, **Net Debt** recorded **USD 117.4 million** compared to USD 118.0 million in FY 2023

USD M	FY 2023	H1 2024
Cash & Cash Equiv.	10.5	7.7
Net Receivables	40.2	45.0
Inventory	95.6	89.6
Fixed Assets	54.6	52.8
<b>Total Assets</b>	<b>203.1</b>	<b>196.2</b>
<b>Total Liabilities</b>	<b>174.5</b>	<b>171.5</b>
<b>Total Equity</b>	<b>28.5</b>	<b>24.7</b>
<b>Total Liab. &amp;Equity</b>	<b>203.1</b>	<b>196.2</b>



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THANK YOU

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