



# CONCRETE

## FASHION GROUP

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

**CONCRETE**  
FASHION GROUP

Investor Presentation March 2024



# Overview

Publicly trading company with a

39%

free float and the rest is owned by Arafa Family.

\$

Stock is traded in USD.

5%

of Egypt's total garment exports.

Industrial facilities

at 10th of Ramadan & Beni Suef city

**CONCRETE**  
FASHION GROUP

Investor Presentation March 2024



# Overview

+8,000  
**Employees.**



**Manufacturing home for  
luxury garments.**

**Homegrown luxury brand  
"CONCRETE" with**

+40

**retail stores  
across Egypt.**

**Track record  
of partnerships,  
strategic  
alliances  
with well known  
fashion houses.**

**CONCRETE**  
FASHION GROUP

Investor Presentation March 2024



# We manufacture for

Massimo Dutti

RAMSEY



CONCRETE  
EST. 1989



EMPORIO  ARMANI

JOSEPH  ABBOUD

MANGO

JOOP!

Ermenegildo Zegna

ZARA

A|X  
ARMANI EXCHANGE



VRG  
VISTULA RETAIL GROUP



CONCRETE  
FASHION GROUP

Investor Presentation March 2024

# 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;** Arafa'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**

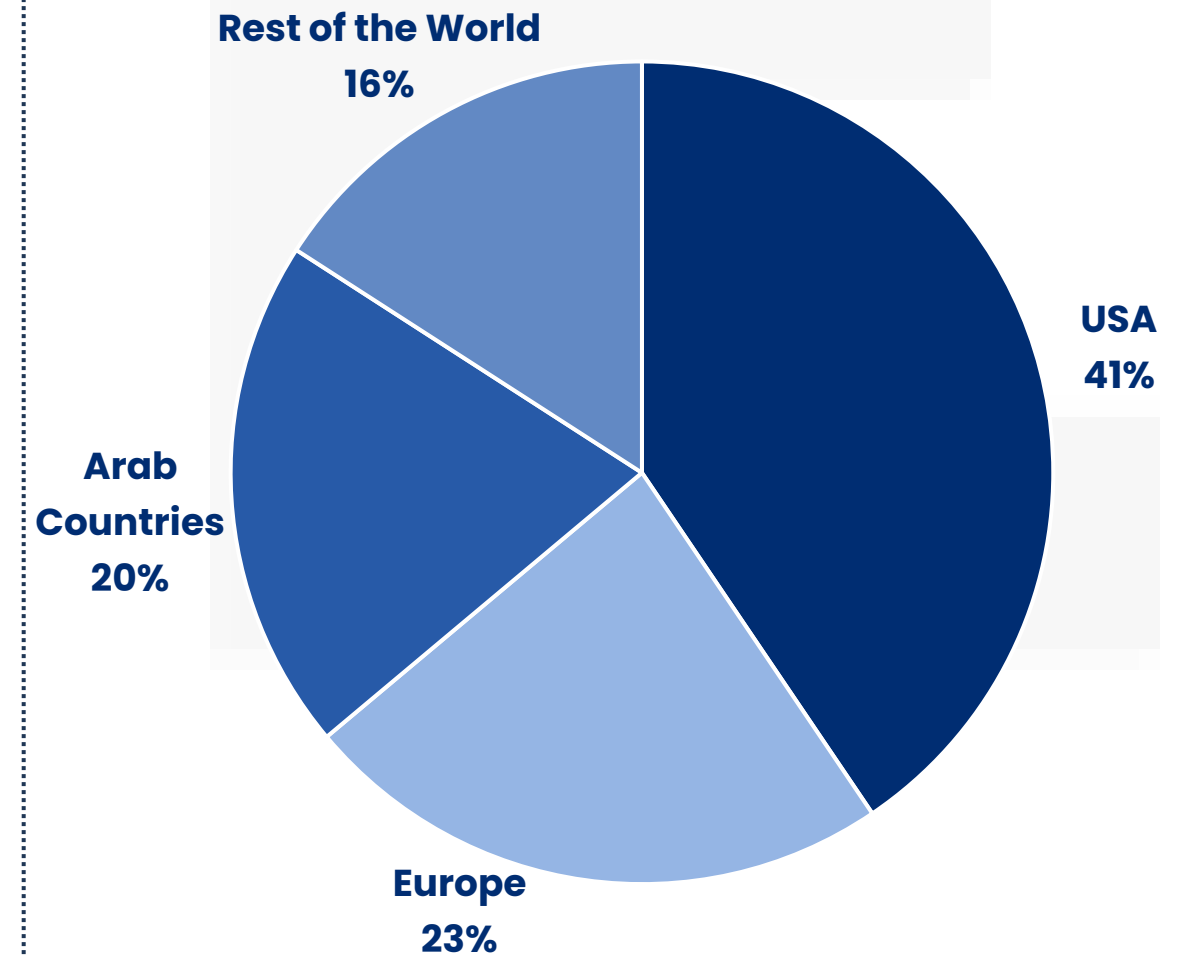
# Overview on Egypt's Ready-Made Garments (RMG) Industry

- 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 | 2,568 |
| Growth Rate %                             | 10%   | 6%    | -14%  | 43%   | 20%   | -2%   | 5%    |

\*2024 exports are calculated based on April 2024

Source: Apparel Export Council of Egypt Report dated April 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

**CONCRETE**

EST. 1989

**eunomeo**

**CONCRETE**  
FASHION GROUP

Investor Presentation March 2024



 **Backed by World-Class Manufacturing and Exporting Capabilities**

**+1.5 Million**  
**Jackets**  
Formal  
Casual

**+4 Million**  
**Trousers**  
Formal  
Casual

**+1 Million**  
**Shirts**

**CONCRETE**  
FASHION GROUP

Investor Presentation March 2024



 **Strong Retail business with substantial market share**

**CONCRETE**  
EST. 1989

- **40 stores** in Egypt.
- **Homegrown luxurious** brand in Egypt inspired by **Italian designs** and **materials**.
- **20% market** share of regulated market.
- Offering **Made to Measure service** with exclusive Italian fabrics.

**euromec**

- **8 stores** in Egypt.
- **Homegrown wholesale** and **uniform business** in Egypt.
- Owner of group's specialized online platform for **Apparel, Leather products** and **Accessories**.

**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 year-on-year 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 despite the Group booking higher financing costs on both its foreign currency denominated debt, which makes up the majority of the Group's consolidated debt.

| USD 000's            | FY 2022       | FY 2023       |
|----------------------|---------------|---------------|
| Sales                | 145,864       | 150,763       |
| COGS                 | (96,530)      | (96,302)      |
| Gross Profit         | <b>49,334</b> | <b>54,461</b> |
| <b>GP Margin</b>     | 33.8%         | 36.1%         |
| EBITDA               | 27,655        | 37,387        |
| <b>EBITDA Margin</b> | 19.0%         | 24.8%         |
| EBIT                 | <b>20,551</b> | <b>32,238</b> |
| <b>EBIT Margin</b>   | 14.1%         | 21.4%         |
| Net Profit           | 12,383        | 12,779        |
| <b>NP Margin</b>     | 8.5%          | 8.5%          |



**CFG**

# Balance Sheet

(CONSOLIDATED FIGURES)

| USD 000's                       | FY 2022        | FY 2023        |
|---------------------------------|----------------|----------------|
| Cash & Cash Equiv.              | 24,316         | 10,518         |
| Net Receivables                 | 49,946         | 27,870         |
| Inventory                       | 109,446        | 95,570         |
| Fixed Assets                    | 46,758         | 42,812         |
| <b>Total Assets</b>             | <b>350,796</b> | <b>203,055</b> |
| <b>Total Liabilities</b>        | <b>318,736</b> | <b>174,531</b> |
| <b>Total Equity</b>             | <b>32,059</b>  | <b>28,524</b>  |
| <b>Total Liab. &amp; Equity</b> | <b>350,796</b> | <b>203,055</b> |

**CONCRETE**  
FASHION GROUP

Investor Presentation May 2024



THANK YOU

**For further inquiries please contact:  
Investor Relations  
[investorrelations@concretefashiongroup.com](mailto:investorrelations@concretefashiongroup.com)  
[www.concretefashiongroup.com](http://www.concretefashiongroup.com)**