



(Cairo, Egypt) — Juhayna Food Industries (JUFO.CA on the Egyptian Exchange), a leading Egyptian dairy, yogurt and juice manufacturer, announced today its consolidated results for the first quarter of 2019, reporting a 12% year-on-year rise in total consolidated revenue to EGP 1,734 million where Net profit reached EGP 72 million.

The highest contributors to the top line are the dairy and yogurt segments, representing 52% and 20% of revenues in 1Q19.

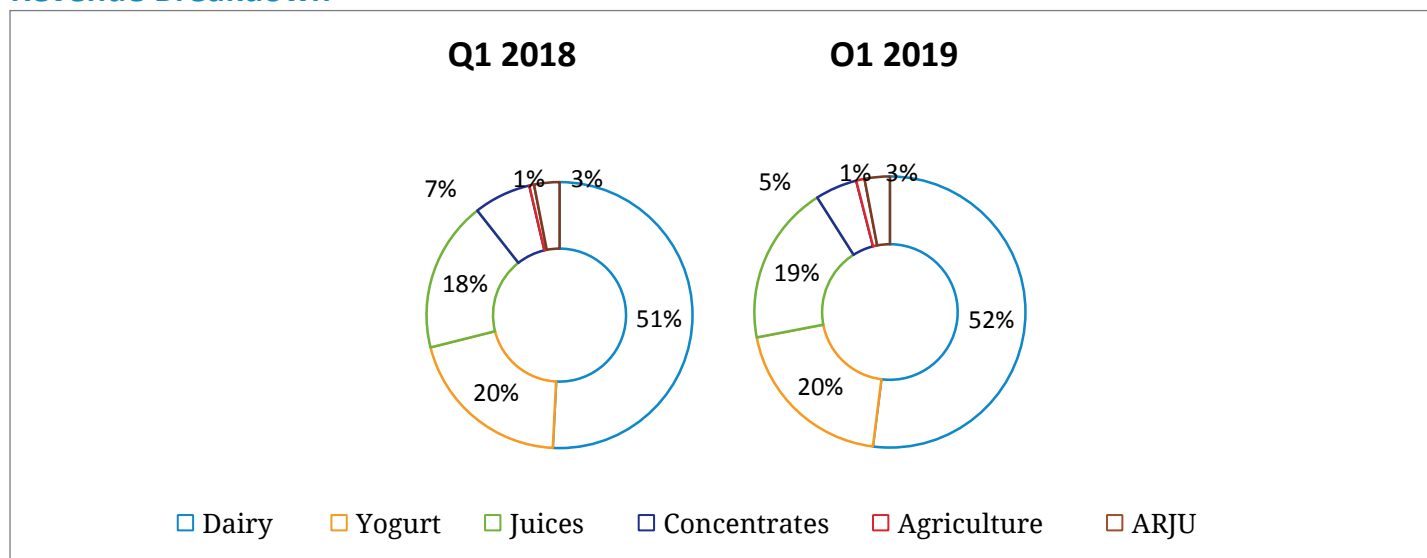
Highlights of Juhayna’s financial and operational results along with management’s commentary on performance in the quarter follow below. Drawn from the fact that Juhayna operates in a highly competitive environment, management believes that it is in the best interest of shareholders to suspend disclosure of detailed segment analysis information. Juhayna’s full financials are available for download on the company’s website: [www.juhayna.com](http://www.juhayna.com).

### Key Performance Indicators

#### 1Q19

	EGP mn	Change %
Dairy	908	14%
Yogurt	354	12%
Juice	321	12%
Concentrates	84	-15%
Agriculture	11	22%
ARJU	56	16%
<b>Revenues</b>	<b>1,734</b>	<b>12%</b>
Gross Profit	502	8%
EBIT	200	8%
<b>Net Income</b>	<b>72</b>	<b>-11%</b>

### Revenue Breakdown





## TO OUR SHAREHOLDERS

Our company was capable of increasing its levels of both consumer trust and loyalty, within the Egyptian market. The revenues witnessed a growth of 12%, reaching EGP 1.7 billion compared to EGP 1.5 billion during the same period last year. Despite of all market challenges the sector is currently facing such as consumer purchasing power, higher production costs, end of tax exemption period for some companies within the group, as well as applying the new health care insurance fees, Juhayna has achieved a net profit of 71.6 million Egyptian pounds.

Finally, we assert our unwavering confidence in the Egyptian market and in Juhayna's ability to skillfully execute its investment plans, achieving our ultimate goal of maximizing shareholder return.

**Sincerely,**  
**Safwan Thabet**  
**Chairman and Managing Director**



## I. CONSOLIDATED INCOME STATEMENT

(EGP '000)	Q1-19	Q1-18
Net Sales	1,734,100	1,553,248
Cost of Sales	(1,231,398)	(1,088,288)
<b>Gross Profit</b>	<b>502,702</b>	<b>464,960</b>
<i>Gross Profit Margin</i>	29%	30%
Other Income	26,400	27,276
Sales & Distribution Expenses	(237,353)	(215,600)
General & Administrative Expenses	(55,590)	(47,873)
Other (Expenses)	(31,660)	(43,564)
Board of Directors Remuneration	(4,960)	(355)
<b>Results from Operating Activities</b>	<b>199,539</b>	<b>184,843</b>
EBITDA	264,464	269,673
<i>EBITDA Margin</i>	15%	17%
The Holding Company's Share in Profit in the (losses) of Companies Under Joint Control	2,858	484
End of Service Remuneration	(8,586)	(6,055)
Financing Income & Financing Expenses	(81,057)	(77,446)
<b>Net Profit Before Tax</b>	<b>112,753</b>	<b>101,826</b>
Income Tax	(30,435)	(14,399)
Investment Tax	(8,245)	(5,996)
Deferred Tax	(2,455)	(708)
<b>Net Profit</b>	<b>71,617</b>	<b>80,723</b>

**II. CONSOLIDATED BALANCE SHEET**

('000 EGP)	Q1 2019	FY18
Property, plant and equipment (net)	3,053,000	3,055,940
Projects under construction	150,873	192,170
Plant wealth	12,652	12,753
Plant wealth - under preparation	4,205	3,392
Biological wealth	155,262	143,126
Investments under joint control ( equity)	11,432	8,575
Other - long term assets	747	749
Other - long term - debit balances	7,138	7,436
Goodwill	97,092	97,093
<b>Non-current Assets</b>	<b>3,492,405</b>	<b>3,521,233</b>
Biological assets- Feeding Sector	19,399	20,616
Biological assets- Agriculture	6,257	14,606
Inventories	1,371,944	1,054,873
Assets Held For Sale	15,042	17,387
Trade and other receivables (net)	560,948	487,383
Cash and cash equivalents	246,677	30,403
<b>Current Assets</b>	<b>2,220,270</b>	<b>1,625,270</b>
<b>Total Assets</b>	<b>5,712,676</b>	<b>5,146,503</b>
Issued and Paid up Capital	941,405	941,405
Legal Reserve	576,398	552,519
General Reserve – Insurance Premium	330,920	330,920
Retained Earnings	592,822	784,087
<b>Total Equity Attributable to the Shareholders of the Parent Company</b>	<b>2,441,546</b>	<b>2,608,933</b>
Non Controlling Interest	657	978
<b>Total Equity</b>	<b>2,442,204</b>	<b>2,609,911</b>
Non-Current loans	563,381	609,854
Other Non-Current liabilities	17,367	19,415
Deferred revenues	76,296	79,869
Deferred tax liabilities	244,370	241,915
<b>Non-Current Liabilities</b>	<b>901,415</b>	<b>951,053</b>
Provisions	11,730	16,388
Banks – Overdraft	22,566	15,571
Banks – Credit Facilities	1,158,561	719,052
Creditors and Other Credit Balances	871,932	599,791
Income Tax	81,572	51,137
Due to Related Parties	-	783
Non-Current loans – Current Portion	222,693	255,532
<b>Current Liabilities</b>	<b>2,369,056</b>	<b>1,585,540</b>
<b>Total Liabilities</b>	<b>3,270,471</b>	<b>2,536,593</b>
<b>Total Equity &amp; Total Liabilities</b>	<b>5,712,676</b>	<b>5,146,504</b>



### III. CONSOLIDATED CASH FLOW

	Q1 2019	Q1 2018
<b>III. CONSOLIDATED CASH FLOW</b>		
<b>('000 EGP)</b>		
<b>Cash Flows from Operating Activities</b>		
Net Profit for the Period Before Income Tax & Minority Interest in Profits	112,752	101,825
<b>Adjustments for:</b>	67,432	68,639
PPE <sup>1</sup> depreciation	2,441	(6,291)
Capital gain		
Amortization of animal wealth	4,291	3,455
Amortization of plant wealth	99	99
Plant wealth		(359)
Impairment in Fixed Assets		5,860
Change in Investments under joint control	(2,857)	(483)
Impairment in trade and other receivables	433	1,294
Deffered capital tax gain	(3,571)	
Impairment in inventories		8,117
Provision of claims		2,000
Financial lease installments	7,099	7,474
Herd births	(3,797)	(3,084)
Herd capitalized expenses	(22,952)	(16,195)
losses from selling cows	1,072	298
losses from calves death	1,757	872
Foreign exchange gain	3,788	856
Credit interests	(3,785)	(4,968)
Finance interests & expenses	81,054	81,558
	<b>245,262</b>	<b>250,969</b>
Collected time deposits interests	3,785	4,968
Interest finance expenses paid	(81,054)	(81,558)
<b>Changes in:</b>		
Inventories	(317,071)	(72,050)
Other Debit balance	297	
Trade and other receivables	(72,231)	(90,512)
change in creditors & other credit balances	105,620	117,915
Due to related parties	(782,927)	3,094
Due from related parties	(1,767)	
Sales tax on capital goods	(2,048)	
Income Tax Paid	(8,246)	
Provisions for claim used	(4,656)	(157)
<b>Net cash flows generated from (used in )from operating activities</b>	<b>(124,542)</b>	<b>132,722</b>
<b>Cash Flow from Investing Activities</b>		
Acquisition of PPE & projects under construction	(42,719)	(71,509)
Proceeds from sale of PPE	19,425	14,563
payment for acquisition of plant and animal wealth	(813)	(4,162)
Proceeds from the sale of plant and animal wealth	8,707	6,747
<b>Net Cash Flows (Used In) Investing Activities</b>	<b>(15,399)</b>	<b>(54,361)</b>
<b>Cash Flow (used in) Financing Activities</b>		
Collected (payment) for bank Loans and credit facility	446,505	(41,589)
Payments for bank long term	(79,311)	5,387
Payments in lease installments	(7,099)	(7,747)
Decrease in non-controlling interest	(89)	(81)
<b>Net cash flows (used in )generated from financing activities</b>	<b>360,004</b>	<b>(43,757)</b>
<b>Decrease (Increase) in Cash &amp; Cash Equivalents during the Period</b>	<b>220,062</b>	<b>34,603</b>
The effect of foreign exchange difference	(3,788)	(856)
Cash & Cash Equivalents as at 1 January	30,403	85,736
<b>Cash &amp; Cash Equivalents as at 31 December</b>	<b>246,677</b>	<b>119,483</b>



### ABOUT JUHAYNA FOOD INDUSTRIES

Juhayna Food Industries is a leading producer and distributor of milk, juice and yogurt products. The company was established in 1983 by Safwan Thabet along with a number of other founders with paid-in capital of EGP 1.3 million.

Production began in 1987 with a total production capacity of 35 tons per day and total sales of EGP 2.4 million. The company has since grown to become the most popular household name in the sector across Egypt.

### FORWARD-LOOKING STATEMENTS

Statements contained in this Business Review that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of Juhayna Food Industries. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. Certain information contained herein constitutes "targets" or "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "seek," "should," "expect," "anticipate," "project," "estimate," "intend," "continue" or "believe" or the negatives thereof or other variations thereon or comparable terminology. Actual events or results or the actual performance of Juhayna Food Industries may differ materially from those reflected or contemplated in such targets or forward-looking statements. The performance of Juhayna Food Industries is subject to risks and uncertainties