

## **DICE Retail (Underwear ) Report 2021 Earnings**

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## DICE Underwear Report 2021 Earnings

Despite of the Corona Virus (COVID-19) pandemic, Retail sales increased by 11.2% Y-o-Y increasing reach EGP 391.2 mn in 2021 coupled with 2020 Y-o-Y.

### Highlights for 2021

<p><b>Revenue</b> EGP 391.2mn ▲ 11.2% y-o-y</p>	<p><b>Gross Profit</b><sup>(1)</sup> EGP 110.4mn ▲ 36% y-o-y 28.2% GP Margin</p>
<p><b>EBITDA</b> EGP 42.7mn ▲ 10.1% y-o-y    10.9% EBITDA Margin</p>	<p><b>Net Profit</b> EGP 22.2mn ▲ 26.6% y-o-y    5.7% NP Margin</p>

### Highlights for 2020

<p><b>Revenue</b> EGP 351.8mn ▲ 3.2% y-o-y</p>	<p><b>Gross Profit</b><sup>(1)</sup> EGP 81.2mn ▼ -38.8% y-o-y 23.1% GP Margin</p>
<p><b>EBITDA</b> EGP 38.8mn ▼ -45.5% y-o-y    11% EBITDA Margin</p>	<p><b>Net Profit</b> EGP 17.5mn ▼ -53.4% y-o-y    5% NP Margin</p>

we focused on outlet sales that has low-sales price with discount starting from 2020 to increase sales volume and reduce inventory (page 4).

### □ Summary Income Statement (EGP mn)

In EGP 000s, unless otherwise stated	Q4-2021	Q4-2020	2021	2020
<b>Revenue</b>	115.5	95.3	391.2	351.8
y-o-y growth, %	21.2%	-3.4%	11.2%	3.2%
<b>Gross Profit</b>	25.5	-1.9	110.4	81.2
GPM, %	22.1%	-2.0%	28.2%	23.1%
<b>EBITDA</b>	5.1	-14.0	42.7	38.8
EBITDA Margin, %	4.4%	-14.7%	10.9%	11.0%
<b>Net Profit</b>	1.4	-11.7	22.2	17.5
NPM, %	1.2%	-12.2%	5.7%	5.0%

Note(1): Gross profit excludes depreciation

## □ Overview of Retail Segmental Performance

In EGP 000s, unless otherwise stated	Q4-2021	Q4-2020	2021	2020
<b>Total Number of Stores</b>	333	283	333	283
o/w Rented	63	58	63	58
Rented %	18.9%	20.5%	18.9%	20.5%
o/w Franchised	270	225	270	225
Franchise %	81.1%	79.5%	81.1%	79.5%
<b>Total Number of Pieces (000s)</b>	4,209	3,656	15,174	15,873
y-o-y growth, %	15.1%	10.4%	-4.4%	27.4%
<b>Avg. Price (EGP) / Piece</b>	27.4	26.1	25.8	22.2
y-o-y growth, %	5.2%	-12.5%	16.3%	-19.0%
<b>Total Revenue</b>	<b>115,476</b>	<b>95,310</b>	<b>391,169</b>	<b>351,817</b>
y-o-y growth, %	21.2%	-3.4%	11.2%	3.2%
<b>% of Total Revenue</b>	23.9%	23.8%	24.5%	28.5%
<b>Gross Profit</b>	<b>25,503</b>	<b>-1,896</b>	<b>110,373</b>	<b>81,185</b>
Gross Profit Margin, %	22.1%	-2.0%	28.2%	23.1%

-In 2021, the retail segment significant y-o-y increasing in revenue, reaching 391.2 mn increase by 11.2% & decreasing in sales volume by a 4.4% compared to 2020 due to change in the mix rates of pieces sold.

-,DICE maintained competitive price levels to eat up market share so retail gross profit 2021 increase to 110.4 mn, up 28.2% of retail sales compared to 2020.

-During 2021, the retail sales component of the pieces changed, leading to increase in the average selling price of the piece 16.3% and decrease in the number of produced pieces compared to 2020.



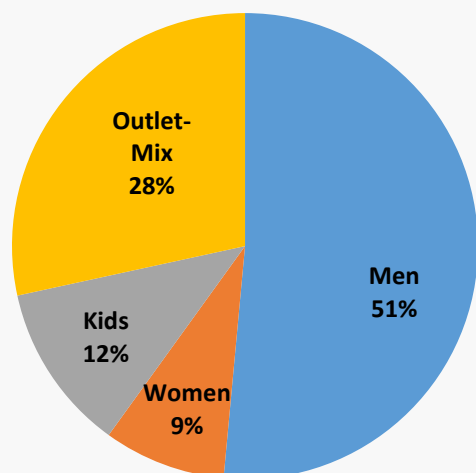
## □ Sales Mix - client

In Dice underwear sales with the decrease in the quantity and increase in value of sales in 2021 compared to 2020, we find a change in the mix rates of sales to increase the share of kids & men sales and decrease the share of outlet & women sales.

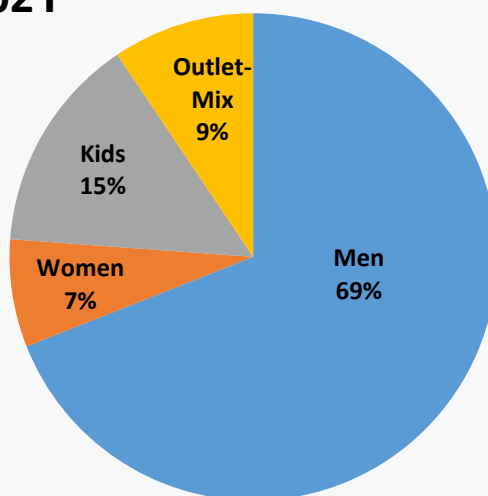
Therefore, the company's management seeks to maximize the share of women's sales during the coming period.

### Sales Mix - Quantity

2020

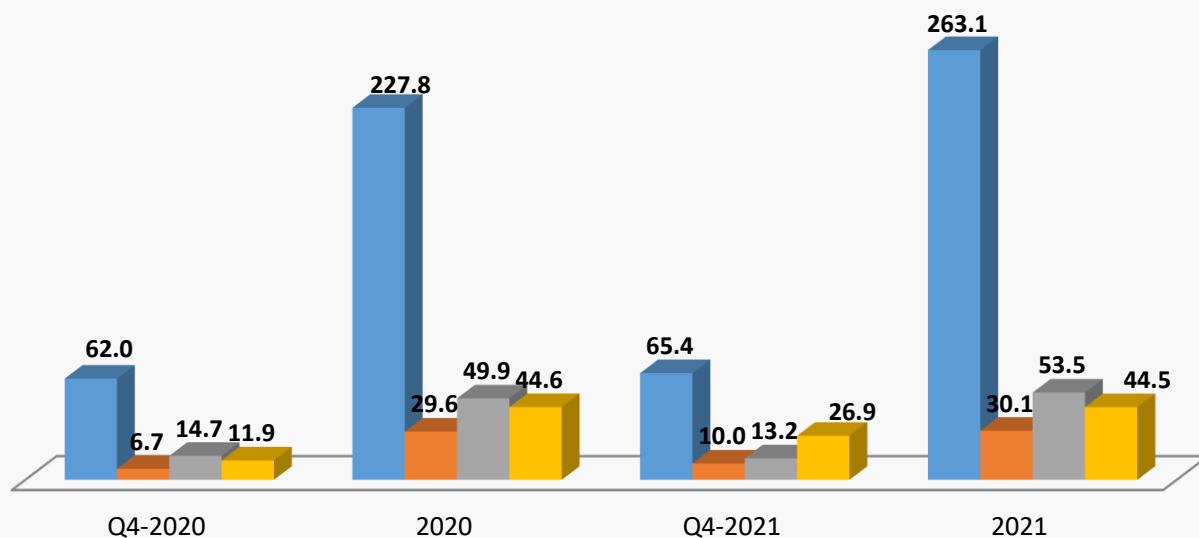


2021



### Sales Mix – Value (EGP, mn )

■ Men      ■ Women      ■ Kids      ■ Outlet-Mix



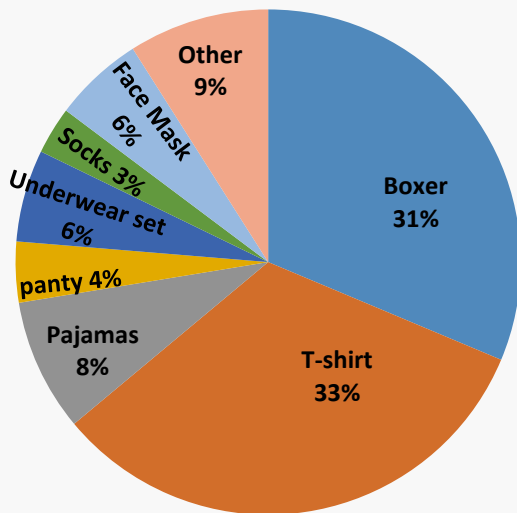


## □ Sales Mix - type

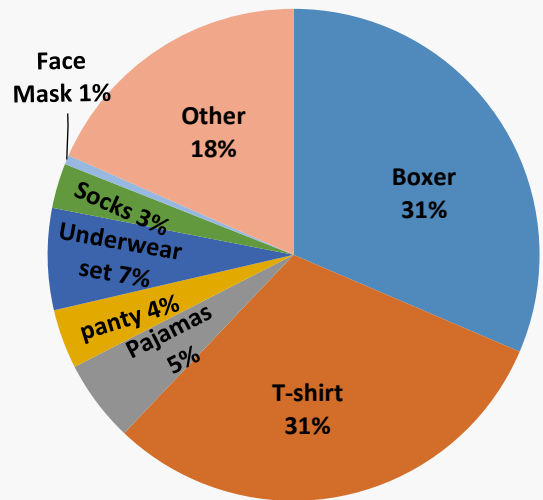
In Dice underwear sales with the increase in the value of sales in 2021 compared to 2020, we find a change in the mix rates of pieces sold as shown in the diagram.

It should be noted that Dice, in response to market requirements and the repercussions of Coronavirus (covid19), added a new item to Dice products the face mask, which began production in the second quarter of 2020 and acquired a share of 1% of retail sales in 2021.

### 2020

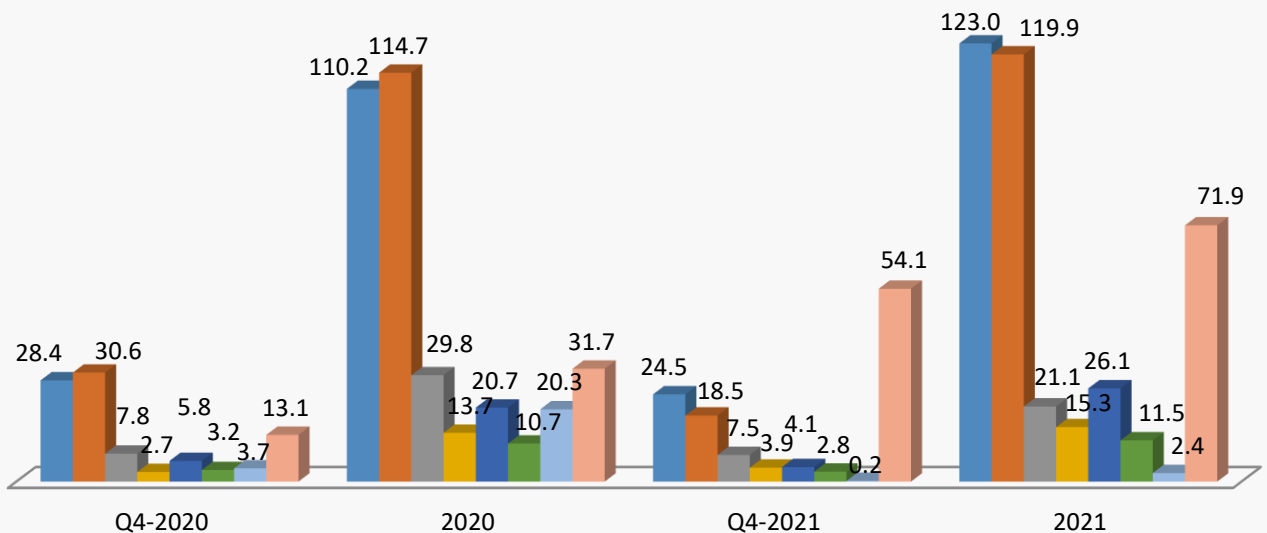


### 2021



### Sales Mix – type (EGP, mn )

■ Boxer ■ T-shirt ■ Pajamas ■ panty ■ Underwear set ■ Socks ■ Face Mask ■ Other



## □ sale points

DICE management succeed to maximize the volume of Dice underwear sales for the previous years through two main axes:

- **The first axis**

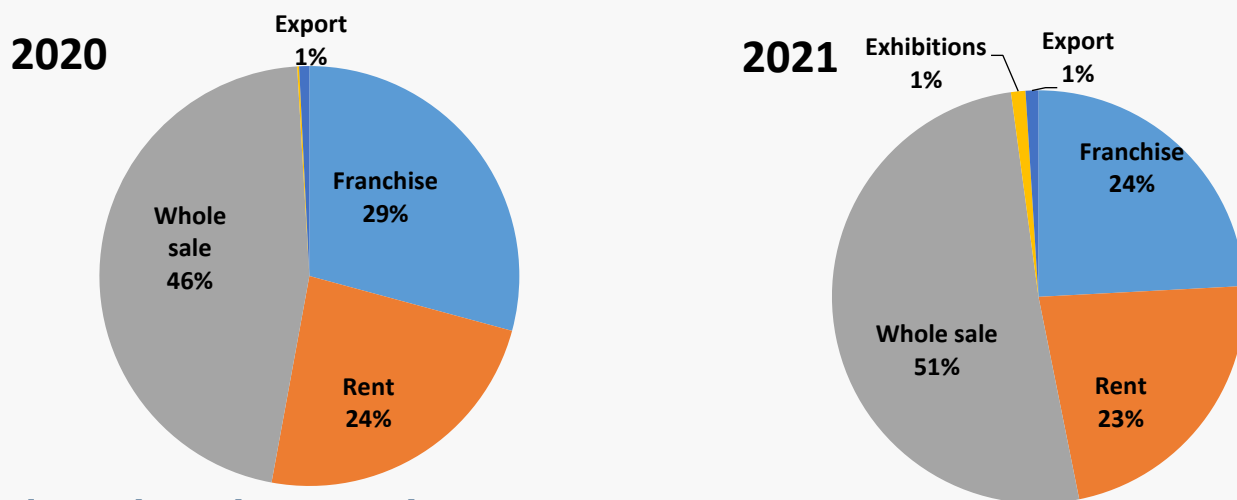
increase of production facilities that allocated for the DICE underwear production.

- **The second axis**

through the basic selling points of the activity as following:

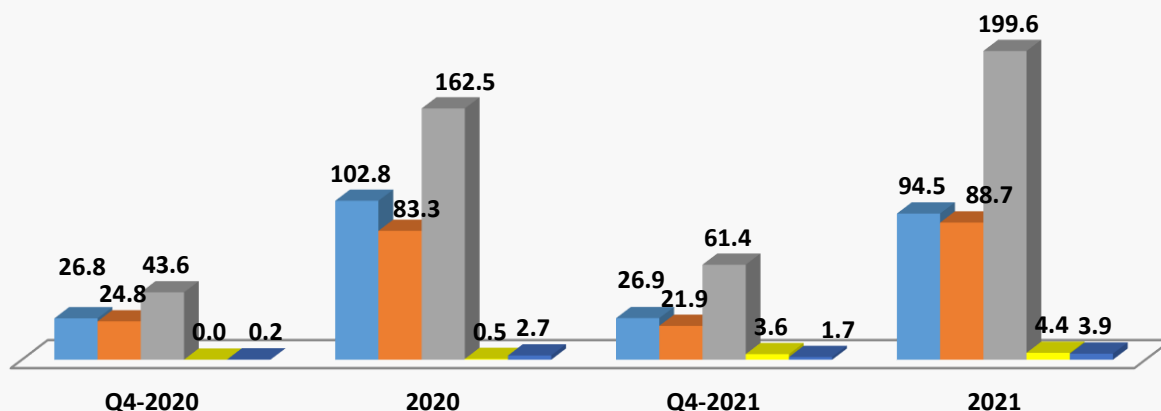
- Increase the number of booth rent & franchise shops with more geographical distribution.
- Focus with wholesaler the main indicator for market demand & comply their needs & furnish them with requested range of products in timely manner.
- The company seeks to have a share outside of Egypt of the global market for underwear, in brand DICE whether in Arab or European countries.

➤ However, this growth was negatively affected, contrary to what was expected, due to the outbreak of the Corona virus during 2020 till now & This clearly shows the cancellation of exhibitions and the absence of export Underwear sales with a small number in 2021.



### Sales Point – (EGP, mn )

■ Franchise ■ Rent ■ Whole sale ■ Exhibitions ■ Export



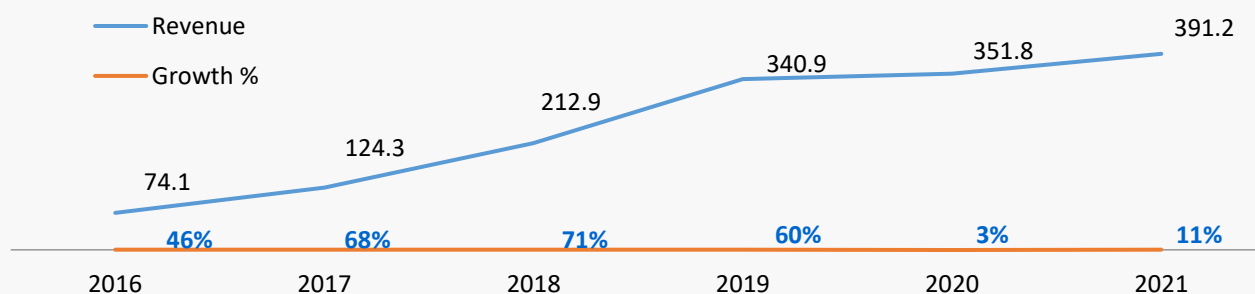
## □ Outlook

- Entered in the Egyptian retail segment in 2011 through establishing its own brand “**DICE Underwear**” with **333 retail stores** distributed across **20 governorates** as end of 2021.
- Increase penetration of DICE retail store network, through both owned and franchised stores while reshuffling certain store locations to attract the highest foot traffic .
- Continuous development of new product designs and migration towards higher price point SKUs.
- Expand the women’s underwear segment within the DICE retail brand.
- Explore exporting DICE retail brands to neighboring countries .
- A website has been created to sell online [www.diceunderwear.com](http://www.diceunderwear.com)

## About DICE Sport and Casual Wear S.A.E.

DICE Sport and Casual Wear, founded in 1989, is a leading garment manufacturer, serving multiple clients primarily in Europe, from operating facilities in Egypt. The Company offers a manufacturing value chain comprising knitting, sewing, dyeing, printing, and a retail brand. The Company has 13 owned manufacturing facilities, and 333 retail stores distributed across 20 governorates. Learn more about DICE by visiting [www.ir.dicefactory.net](http://www.ir.dicefactory.net)

### Growth retail sales



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