

## DICE Sports and Casual Wear Report 9M-2023 Earnings



- [Summary Income Statement](#)
- [Results in Nutshell](#)
- [Overview of Segmental Performance](#)
  - **Export Segment**
  - **Retail Segment**
  - **Dyeing Segment**
  - **Printing Segment**
  - **Other Local Sales**
- [Outlook \(About DICE Sport and Casual Wear S.A.E\).](#)
- [Consolidated Income Sheet Statement](#)
- [Consolidated Balance Sheet Statement](#)
- [Consolidated Cash flow Statement](#)

## DICE Sport and Casual Wear Report 9M-2023 Earnings

sales line increased by 56% Y-o-Y increasing reach EGP 2279.1 mn in 9M-2023 coupled with 9M-2022 Y-o-Y.

### Highlights for 9M-2023

<p><b>Revenue</b> EGP 2279.1mn ▲ 56% y-o-y</p>	<p><b>Gross Profit</b><sup>(1)</sup> EGP 711.2mn ▲ 116% y-o-y 31.2% GP Margin</p>
<p><b>EBITDA</b> EGP 610.21mn ▲ 272% y-o-y 26.8% EBITDA Margin</p>	<p><b>Net Profit / (loss)</b> EGP 278.5mn 12.2% NP Margin</p>

### Highlights for 9M-2022

<p><b>Revenue</b> EGP 1461mn ▲ 31.2% y-o-y</p>	<p><b>Gross Profit</b><sup>(1)</sup> EGP 329.8mn ▲ 47% y-o-y 22.6% GP Margin</p>
<p><b>EBITDA</b> EGP 164.2mn ▲ 54% y-o-y 11.2% EBITDA Margin</p>	<p><b>Net Profit / (loss)</b> EGP 38.9mn 2.7% NP Margin</p>

## Summary Income Statement (EGP mn)

In EGP 000s, unless otherwise stated	2022	Q3-2023	Q3-2022	9M-2023	9M-2022
<b>Revenue</b>	2,133.3	830.8	557.4	2,279.1	1,461.0
y-o-y growth, %	33.6%	49.1%	24.7%	56.0%	31.2%
<b>Gross Profit</b>	552.1	241.7	138.8	711.2	329.8
GPM, %	25.9%	29.1%	24.9%	31.2%	22.6%
<b>EBITDA</b>	396.79	263.10	64.06	610.21	164.18
EBITDA Margin, %	18.6%	31.7%	11.5%	26.8%	11.2%
<b>Net Profit</b>	120.8	157.3	13.5	278.5	38.9
NPM, %	5.7%	18.9%	2.4%	12.2%	2.7%

Note(1): Gross profit excludes depreciation

### **Important events during the current and subsequent period:**

On Sep 19, 2023, the company received a letter from of Toma Company for Commercial and Industrial Investments with Majid Samir Toma, containing an initial offer to acquire 1.607 billion shares, representing 90% of the company's issued capital. The company explained that the offer includes an initial purchase price of 65 piasters per share. This is done through a compulsory purchase offer for the company's shares.

On Oct 17, 2023, "FRA" approved the announcement of the compulsory purchase offer, provided that the offer includes the purchase of up to 838.137 million shares, representing 46.9% of the company's shares, at amount of EGP 0.65 per share. This included approval of the offeror's commitment to purchase all of the shares offered for sale in response to the purchase offer. If the shares offered for sale exceed the number of shares required to be purchased, the offeror will purchase from all share owners who responded to the offer in a ratio of the total offered to the total shares required to be purchased.

On Nov 8, 2023, "FRA" announced that the previously mentioned purchase offer price had been amended to EGP 0.80 per share instead of EGP 0.65 per share, while maintaining the rest of the terms of the purchase offer announcement approved by the Authority without modification.

On November 15, 2023, the Egyptian Stock Exchange announced the quantities of shares responding to the previously mentioned purchase offer, with a total of 544 536 000 share.

On November 19, 2023, the company announced that Toma Company for Commercial and Industrial Investments had purchased 182 546 494 share of the company's shares, by a percentage of 27.68%, in accordance with the previously mentioned compulsory purchase offer, buy an amount of EGP 945 628 395 by average price of EGP 0.8 E per share. In addition to Maged Samir Toma had purchased 50 million share of the company's shares in accordance with the previously mentioned compulsory purchase offer for an amount of EGP 40 million at an average price of EGP 0.8 per share, that led to his percentage after the purchase process became 11.5%.

#### **Export subsidy revenue :**

As a result of the government's regular payment of dues to the Export Support Fund recently, the company's board of directors decided on May 17, 2023 to change the system of recording export subsidy revenue in the company's books from recording subsidy revenue upon maturity to subsidy revenue upon collection. This resulted in the following adjustments:

<b>Adjustments</b>	<b>EGP</b>
Retained earnings on December 31, 2022, before adjustment.	134 471 297
Adjustments to retained earnings.	(94 063 612)
Retained earnings on December 31, 2022, after adjustment.	40 407 685
Net profit on December 31, 2022, before adjustment.	162 068 367
Adjustments to profits or losses during the year.	(40 626 524)
Net profit on December 31, 2022, after adjustment.	121 441 843
Net profit on Jun 30, 2022, before adjustment.	84 918 994
Adjustments to profits or losses during the period.	(46 016 848)
Net profit on Jun 30, 2022, after adjustment.	38 902 146

## Results in Nutshell

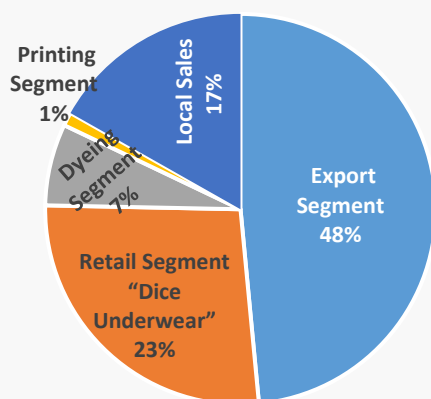
DICE reported revenues of EGP 830.8 mn, for Q3-2023, recording 49.1% y-o-y increasing.

Gross profit margin Q-o-Q, recording 29.1% in Q3-2023 compared to 24.9% in Q3-2022.

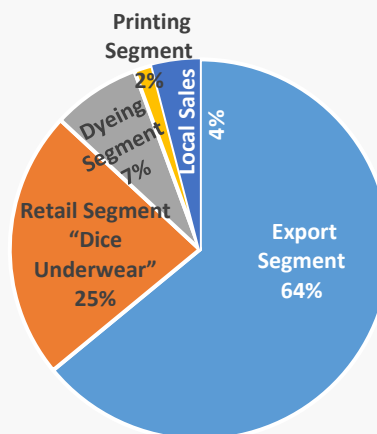
It appears from this graph that the local segment improved compared to the same period last year.

### Revenue Breakdown by Segment

#### Q3- 2023



#### Q3-2022

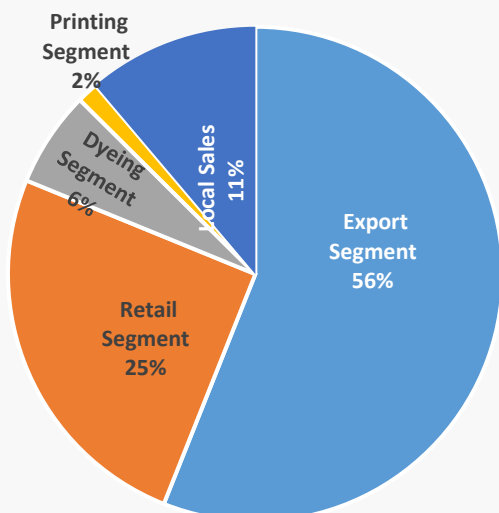


### Revenue Breakdown by Segment

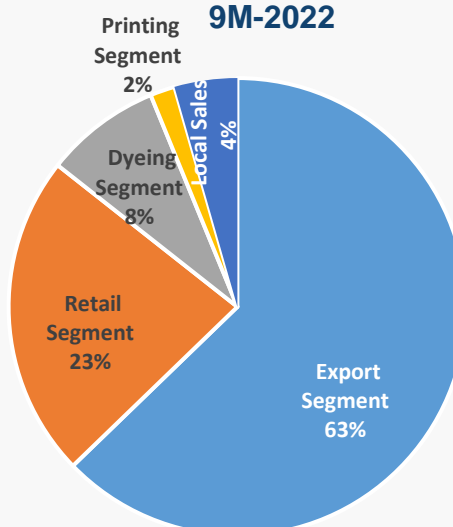
DICE reported revenues of EGP 2279.1 mn for 9M-2023, recording 56% y-o-y increasing.

Gross profit margin Q-o-Q, recording 31.2% in 9M-2023 compared to 22.6% in 9M-2022.

#### 9M-2023



#### 9M-2022



## Overview of Segmental Performance

### 1 Export Segment



In EGP 000s, unless otherwise stated	2022	Q3-2023	Q3-2022	9M-2023	9M-2022
Sewing Capacity (000s pieces)	21,000	5,250	5,250	15,750	15,750
Utilization, %	72.5%	51.4%	75.2%	57.7%	73.3%
<b># of pieces sold (000s)</b>	15,225	2,699	3,946	9,081	11,540
y-o-y growth, %	8.2%	-31.6%	-3.8%	-21.3%	14.3%
Avg. Price (USD) / piece	4.57	4.85	4.65	4.62	4.46
y-o-y growth, %	8.1%	4.2%	10.2%	3.7%	88.0%
<b>Revenue (USD '000)</b>	<b>69,553</b>	<b>13,077</b>	<b>18,342</b>	<b>41,980</b>	<b>51,441</b>
y-o-y growth, %	17.0%	-28.7%	5.9%	-18.4%	27.5%
Avg. Price (EGP) / piece	87.0	149.3	90.5	140.6	79.5
y-o-y growth, %	31.8%	65.0%	37.1%	77.0%	27.1%
<b>Revenue (EGP '000)</b>	<b>1,325,070</b>	<b>402,842</b>	<b>356,945</b>	<b>1,277,042</b>	<b>917,065</b>
y-o-y growth, %	42.5%	12.9%	31.9%	39.3%	45.3%
<b>Gross Profit</b>	<b>301,620</b>	<b>143,909</b>	<b>83,911</b>	<b>525,365</b>	<b>158,737</b>
Gross Profit Margin, %	22.8%	35.7%	23.5%	41.1%	17.3%

- In 9M-2023, export sales, denominated in USD, 18.4% decrease over the same period last year beside decreasing sales volume a 21.3% stemming. Blended average price per piece in USD terms increased by 3.7%” due to inflation”.

- Changing in export sales price Avg (USD ,EGP / piece) is according to the mixture of sales, in addition the value of the revenues in USD or EGP includes the sale of materials (elastic) and the number of pieces sold does not show what represents this value, and this also affects the average price of the piece in USD or EGP.

## Overview of Segmental Performance

### 2 Retail Segment

- Refer to the attached file “Dice Retail (Underwear) report”

## Overview of Segmental Performance

### 3 Dyeing Segment

	In EGP 000s, unless otherwise stated	2022	Q3-2023	Q3-2022	9M-2023	9M-2022
<b>Master Line</b>	Capacity (tons)	7,500	1,875	1,875	5,625	5,625
	Utilization, %	58.7%	65.3%	58.5%	57.7%	62.1%
	<b>Volume Sold (tons/year)</b>	4,401	1,225	1,096	3,248	3,491
	Avg. Price (EGP) / ton	34.6	42.6	34.5	40.1	34.3
	<b>Revenue</b>	<b>152,170</b>	<b>52,249</b>	<b>37,787</b>	<b>130,127</b>	<b>119,763</b>
	y-o-y growth, %	-12.5%	38.3%	-18.0%	8.7%	-6.1%
	<b>Gross Profit</b>	<b>34,564</b>	<b>12,575</b>	<b>9,718</b>	<b>24,060</b>	<b>29,700</b>
	Gross Profit Margin, %	22.7%	24.1%	25.7%	18.5%	24.8%
<b>UDI</b>	Capacity (tons)	7,200	1,800	1,800	5,400	5,400
	Utilization, %	59.7%	87.5%	60.4%	63.7%	63.6%
	<b>Volume Sold (tons/year)</b>	4,300	1,575	1,087	3,441	3,437
	Avg. Price (EGP) / ton	32.7	38.5	35.1	39.9	31.9
	<b>Revenue</b>	<b>140,593</b>	<b>60,690</b>	<b>38,147</b>	<b>137,241</b>	<b>109,783</b>
	y-o-y growth, %	7.8%	59.1%	15.2%	25.0%	13.1%
	<b>Gross Profit</b>	<b>22,059</b>	<b>18,222</b>	<b>7,400</b>	<b>27,979</b>	<b>19,333</b>
Gross Profit Margin, %	15.7%	30.0%	19.4%	20.4%	17.6%	
<b>ACC</b>	Capacity (tons)	3,600	900	900	2,700	2,700
	Utilization, %	72.9%	92.6%	52.4%	76.7%	68.1%
	<b>Volume Sold (tons/year)</b>	2,625	833	472	2,070	1,839
	Avg. Price (EGP) / ton	28	36	25	34	24
	<b>Revenue</b>	<b>73,376</b>	<b>29,617</b>	<b>11,646</b>	<b>70,409</b>	<b>44,535</b>
	y-o-y growth, %	-10%	154%	-45%	58%	-28%
	<b>Gross Profit</b>	<b>23,825</b>	<b>8,655</b>	<b>1,934</b>	<b>17,968</b>	<b>10,770</b>
Gross Profit Margin, %	32.5%	29.2%	16.6%	25.5%	24.2%	
<b>Total Dyeing Segment</b>	Capacity (tons)	18,300	4,575	4,575	13,725	13,725
	Utilization, %	61.9%	79.4%	58.0%	63.8%	63.9%
	<b>Volume Sold (tons/year)</b>	11,326	3,634	2,655	8,759	8,766
	Avg. Price (EGP) / ton	32.3	39.2	33.0	38.6	31.3
	<b>Revenue</b>	<b>366,140</b>	<b>142,557</b>	<b>87,580</b>	<b>337,777</b>	<b>274,081</b>
	y-o-y growth, %	-5.1%	62.8%	-12.7%	23.2%	-4.2%
	Intercompany Sales	205,792	86,376	45,776	195,048	154,433
	Intercompany Sales (% of Revenue)	56.2%	60.6%	52.3%	57.7%	56.3%
	<b>Gross Profit</b>	<b>80,448</b>	<b>39,452</b>	<b>19,052</b>	<b>70,007</b>	<b>59,803</b>
	Gross Profit Margin, %	22.0%	27.7%	21.8%	20.7%	21.8%

As for its dyeing segment, DICE reported EGP 337.8 mn in revenues in 9M-2023, 23.2% y-o-y increasing, third party sales during 9M-2023 contributed 42.3% of all dyeing sales compared to 43.7% in 9M-2022.

## Overview of Segmental Performance

### 4 Printing Segment

	In EGP 000s, unless otherwise stated	2022	Q3-2023	Q3-2022	9M-2023	9M-2022
NP Printing	Capacity (meter)	6,000	1,500	1,500	4,500	4,500
	Utilization, %	48.1%	106.3%	42.4%	67.2%	45.6%
	<b>Volume Sold (piece/year)</b>	2,886	1,595	635	3,024	2,052
	Avg. Price (EGP) / ton	12.79	5.8	13.6	10.3	12.5
	<b>Revenue</b>	<b>36,893</b>	<b>9,234</b>	<b>8,634</b>	<b>31,271</b>	<b>25,546</b>
	y-o-y growth, %	-6.4%	6.9%	-14.0%	22.4%	-29.8%
	<b>Gross Profit</b>	<b>4,219</b>	<b>214</b>	<b>574</b>	<b>2,344</b>	<b>2,284</b>
	Gross Profit Margin, %	11.4%	2.3%	6.6%	7.5%	8.9%

Nadine Print press : The revenue figures shown here reflect sales to third-party only,



## Overview of Segmental Performance

### 5 Other Local Sales

In EGP 000s, unless otherwise stated	2022	Q3-2023	Q3-2022	9M-2023	9M-2022
<b>Local Revenue</b>	<b>173,443</b>	<b>174,585</b>	<b>37,231</b>	<b>324,727</b>	<b>91,206</b>
y-o-y growth	105.2%	368.9%	75.0%	256.0%	51.1%
<b>Total Intercompany *</b>	<b>53,983</b>	<b>34,977</b>	<b>14,703</b>	<b>69,776</b>	<b>26,358</b>
% of Local	31.1%	20.0%	39.5%	21.5%	28.9%
<b>Net Revenue</b>	<b>119,460</b>	<b>139,607</b>	<b>22,528</b>	<b>254,951</b>	<b>64,849</b>
y-o-y growth	135.1%	519.7%	86.9%	293.1%	84.2%
<b>Gross Profit</b>	<b>23,559</b>	<b>8,893</b>	<b>569</b>	<b>10,509</b>	<b>15,187</b>
GPM, %	13.6%	5.1%	1.5%	3.2%	16.7%

### □ elastic & cordon Sales

In EGP 000s, unless otherwise stated	2022	Q3-2023	Q3-2022	9M-2023	9M-2022
<b>Revenue</b>	<b>55,940</b>	<b>25,156</b>	<b>13,093</b>	<b>61,214</b>	<b>39,269</b>
y-o-y growth	25%	92.1%	26%	56%	20%
Volume Sold (tons/year)	<b>412</b>	<b>137</b>	<b>99</b>	<b>341</b>	<b>308</b>
<b>Intercompany **</b>	<b>51,446</b>	<b>21,447</b>	<b>11,893</b>	<b>53,010</b>	<b>36,177</b>
% of Revenue	92%	85%	91%	87%	92%
<b>Net Revenue</b>	<b>4,493</b>	<b>3,709</b>	<b>1,200</b>	<b>8,203</b>	<b>3,092</b>
y-o-y growth	-45%	209%	-42%	165%	-52%

### Other local sales comprise of :

- i) second tier export products.
- ii) scrap sales.
- iii) elastic & cordon sales

\* Subsidiary company sales by sales invoices.

\*\* Internal operation without sales invoices, but it is evaluated to know the value of the total revenue of elastic and cordon.

## Outlook

DICE remains optimistic about its future growth. The Board of Directors of Dice Ready-to-Wear has agreed to rent a factory of about 45,000 square meters from Misr Helwan Spinning and Weaving Company, In a statement to the Egypt Stock Exchange, the company stated that the company won the lease contract for a period of 9 years, with a monthly rental value of 774.5 thousand pounds, after approving the financial and technical offer submitted by Dice, it indicated that the factory is expected to gradually increase Dice's production capacity by approximately 30% of the current capacity, and to allocate that increase for export, It is expected that the production of this factory will begin after re-equipping for production in March 2024, with local production of Dice brand first and then after that for export products.

It pointed out that this is in line with the state's policy of encouraging the private sector to export, provide foreign currency, and contribute to reducing the unemployment rate by providing new job opportunities.

Overall, DICE aims to reduce client concentration by attracting new clients; scaling its retail platform to improve revenue mix; and utilizing its dyeing and printing capacities to enhance profit margins.

## 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 345 retail stores distributed across 20 governorates. Learn more about DICE by visiting [www.dice.eg](http://www.dice.eg)

## For Further Information, Please Contact:

### DICE Sport and Casual Wear

#### **Victor Fakhry**

Chief Financial Officer

T: +2 01221005471

E: [victor.elmalek@dicefactory.net](mailto:victor.elmalek@dicefactory.net)

#### **George Gamal**

Member of Investor Relations and Corporate Affairs Department

T: +2 01001510833

E: [george.gamal@dicefactory.net](mailto:george.gamal@dicefactory.net)

## Consolidated Income Sheet Statement

In EGP mn unless otherwise stated	2022	Q3-2023	Q3-2022	9M-2023	9M-2022
<b>Revenue</b>	<b>2,133.3</b>	<b>830.8</b>	<b>557.4</b>	<b>2,279.1</b>	<b>1,461.0</b>
y-o-y growth, %	33.6%	49.1%	24.7%	56.0%	31.2%
Cost of Sales	(1,581.2)	(589.0)	(418.6)	(1,567.9)	(1,131.2)
<b>Gross Profit (1)</b>	<b>552.1</b>	<b>241.7</b>	<b>138.8</b>	<b>711.2</b>	<b>329.8</b>
Gross Profit Margin, %	25.9%	29.1%	24.9%	31.2%	22.6%
S&D Expenses	(93.6)	(22.9)	(31.0)	(57.9)	(75.5)
% of Revenue	4.4%	2.8%	5.6%	2.5%	5.2%
G&A Expenses	(160.7)	(50.8)	(43.7)	(138.1)	(116.2)
% of Revenue	7.5%	6.1%	7.8%	6.1%	8.0%
Export Rebate	58.4	95.1	-	95.1	26.2
% of Export Revenue	4.4%	23.6%	0.0%	7.4%	2.9%
<b>EBITDA</b>	<b>356.17</b>	<b>263.10</b>	<b>64.06</b>	<b>610.21</b>	<b>164.18</b>
EBITDA Margin, %	16.7%	31.7%	11.5%	26.8%	11.2%
Depreciation & Amortization of the right of use leased assets	(58.8)	(16.7)	(12.7)	(48.4)	(39.0)
<b>EBIT</b>	<b>297.4</b>	<b>246.4</b>	<b>51.3</b>	<b>561.8</b>	<b>125.2</b>
EBIT Margin, %	13.9%	29.7%	9.2%	24.6%	8.6%
Net Interest Expense	(87.0)	(41.6)	(22.2)	(110.6)	(61.2)
Leasing interest Expenses (right of use)	(5.7)	(1.9)	(1.0)	(5.4)	(2.9)
FX Gain / Loss	(33.4)	(4.2)	(14.0)	(103.2)	(18.9)
Other Income / Expense	(9.7)	3.4	(0.1)	4.8	0.9
<b>EBT</b>	<b>161.6</b>	<b>202.1</b>	<b>13.9</b>	<b>347.4</b>	<b>43.2</b>
EBT Margin, %	7.6%	24.3%	2.5%	15.2%	3.0%
Taxes	(40.8)	(44.8)	(0.5)	(68.9)	(4.3)
Tax Rate, %	25.3%	22.2%	3.5%	19.8%	9.9%
<b>Net Profit</b>	<b>120.8</b>	<b>157.3</b>	<b>13.5</b>	<b>278.5</b>	<b>38.9</b>
Net Profit Margin, %	5.7%	18.9%	2.4%	12.2%	2.7%

Note(1): Gross profit excludes depreciation

## Consolidated Balance Sheet Statement

In EGP '000, unless otherwise stated	9M-2023	2022	2021
Net Fixed Assets	514.0	490.1	489.3
right of use -Lease (net)	51.7	56.4	37.8
Other Non Current Assets	23.8	21.8	10.9
<b>Total Non Current Assets</b>	<b>589.4</b>	<b>568.3</b>	<b>537.9</b>
Cash & Cash Equivalents	87.3	108.3	110.9
Inventory	1,110.8	836.0	644.3
Accounts Receivable	560.8	526.1	312.0
Mutual funds	91.5	30.0	-
Debtors and Other Debit Balances	211.3	193.1	214.1
<b>Total Current Assets</b>	<b>2,062</b>	<b>1,694</b>	<b>1,281.3</b>
<b>Total Assets</b>	<b>2,651.1</b>	<b>2,261.8</b>	<b>1,819.2</b>
Overdraft	1,064.3	967.7	728.2
CPLTD	77.6	89.2	68.5
Accounts Payable	258.3	245.5	184.1
Provisions	40.0	41.4	49.3
Due to Related Parties	1.5	0.2	3.0
Right of use Liabilities - current	21.1	17.9	9.3
leasing Liabilities - current	-	6.9	10.6
Creditors and Other Credit Balances	225.1	142.5	158.3
<b>Total Current Liabilities</b>	<b>1,688</b>	<b>1,511</b>	<b>1,211</b>
Long term Debt	81.3	107.6	126.5
Right of use Liabilities - non current	37.2	43	30.2
leasing Liabilities - non current	-	3.4	12.1
Deferred Tax Liability	37.9	36.6	38.2
<b>Total Non Current Liabilities</b>	<b>156.5</b>	<b>190.6</b>	<b>207.0</b>
<b>Total Liabilities</b>	<b>1,844.4</b>	<b>1,702.1</b>	<b>1,418.4</b>
Paid in Capital	357	357	106
treasury shares	(32)	-	-
Reserves	30.9	23.0	21.9
Retained Earnings	153.9	40.4	207.9
Net Profit / (loss)	276.4	121.4	31.8
Minority Interest	19.7	17.6	33.1
<b>Total Shareholder's Equity</b>	<b>806.7</b>	<b>559.7</b>	<b>400.8</b>
<b>Total Liabilities and Shareholder's Equity</b>	<b>2,651.1</b>	<b>2,261.8</b>	<b>1,819.2</b>

## Consolidated Cash flow Statement

In EGP '000, unless otherwise stated	9M-2023	9M-2022
EBT	347.4	(0.3)
<b>ADD:</b>		
Fixed assets depreciation	31.16	29.6
Right of use depreciation	17.26	9.4
provisions	-	-
Interest - lease Right of use	5.40	2.9
Impairment provisions	3.45	0.9
Reversal of provisions	-	-
Interest Income	(0.2)	(1.7)
Financing expense	110.8	62.8
Capital gain/(loss)	(0.0)	(0.1)
foreign exchange differences related to liabilities	(0.10)	(10.7)
<b>Operating profit before working capital changes</b>	<b>515.05</b>	
(Increase)/Decrease in inventories	(274.7)	(224.1)
(Increase)/Decrease accounts and notes receivable	(38.2)	(131.9)
(Increase)/Decrease in debtors and other debit balances	(18.2)	(31.6)
Increase/(Decrease) in accounts and notes payable	12.8	103.7
Increase/(Decrease) in creditors and other credit balances	55.9	(13.2)
Increase/(Decrease) in due to related parties	1.3	(2.6)
Used provisions	(1.4)	(13.3)
Paid taxes	(43.9)	(12.7)
Paid interest	(107.7)	(61.7)
<b>Cash flow from operations</b>	<b>100.8</b>	<b>(294.7)</b>
Interest Income	0.2	1.7
Payments for the purchase of investments	(61.4)	(106.7)
Payments for the purchase of fixed assets	(43.2)	(6.7)
Gain on sale of fixed assets	0.1	0.1
(Increase)/Decrease in PUC	(13.9)	(4.5)
<b>Cash flow from Investing Activities</b>	<b>(118.3)</b>	<b>(116.2)</b>
increase paid in capital	-	251.3
Change in debt and credit facilities	58.3	134.4
Payments for finance leasing	(10.3)	(8.5)
Payments leasing of property & plant	(20.4)	(10.7)
purchasing treasury shares	(31.5)	-
Paid Dividends	-	(14.0)
<b>Cash flow from Financing Activities</b>	<b>(4.0)</b>	<b>352.5</b>
Net change in cash	(21.4)	(58.4)
Beginning cash balance	105.4	110.9
<b>Ending cash balance</b>	<b>84</b>	<b>52.6</b>