



## Edita Food Industries Reports 1Q2022 Earnings

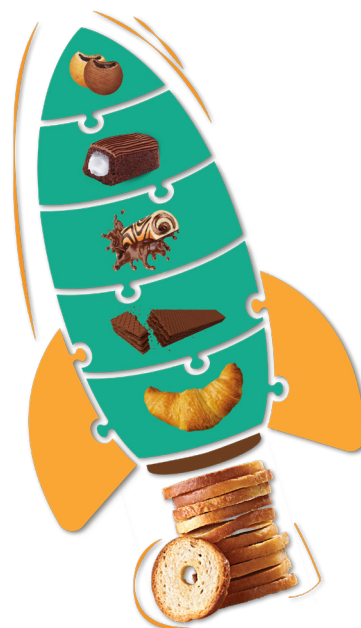
*Edita starts the year with a strong quarter recording an earnings growth of 85.9% y-o-y to EGP 148.1 million and revenues of EGP 1.6 billion in 1Q2022.*

### Highlights for 1Q2022



### Financial and Operational Highlights

- **Strong revenue growth in 1Q2022 carrying on the momentum from 4Q2021.** Performance was driven by both volumes and pricing as Edita continues to capitalize on an increasingly optimized and diversified product portfolio as well as growing consumers demand for its products.
- **Volumes continued to grow in 1Q2022 despite the direct and indirect price increases implemented in 4Q2021,** showcasing consumer demand resilience for Edita's products.
- **Gross profit increased by 39.9% year-on-year in 1Q2022,** with the Company protecting its gross profit margin despite surges in raw material costs and record-high global commodity prices. Gross profit margins expanded to 35.7% in 1Q2022 compared to 34.1% in 1Q2021, supported by strong performances in all six segments.
- **EBITDA expanded by a significant 64.8% with an improved margin of 18.8% for 1Q2022,** reflecting double-digit top-line growth and improved SG&A to sales ratio.
- **The Company's bottom line was up an impressive 85.9% y-o-y in 1Q2022** reflecting improved performance down the income statement.
- **Cakes and bakery were the largest contributing segments to revenues** accounting for 74.7% of Edita's revenue for the quarter. Wafers continued to deliver strong results and accounted for 15.6% of the quarter's top-line.
- **The biscuits segment turned a corner in 1Q2022** with a newly launched biscuit which saw the segment's revenue grow by 62.1% y-o-y and gross profit expand nearly threefold year-on-year.
- **Edita Morocco started generating revenues in 1Q2022,** recording EGP 20.5 million in its first quarter of operations.



### Summary Income Statement (EGP mn)

EGP mn	1Q2022	1Q2021	Change
Revenue	1,559.0	1,166.3	33.7%
Gross Profit	556.6	397.9	39.9%
% Margin	35.7%	34.1%	
EBITDA	293.4	178.0	64.8%
% Margin	18.8%	15.3%	
Net Profit	148.1	79.7	85.9%
% Margin	9.5%	6.8%	

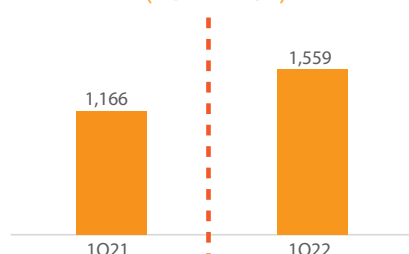
*The figures displayed are based on unaudited results drawn from management accounts and finance department numbers (IFRS).*

*The discussion and analysis in this report are based on the IFRS statements. For comparison of the results to Egyptian Accounting Standards, please refer to the section "Egyptian Accounting Standards Reconciliation to IFRS."*

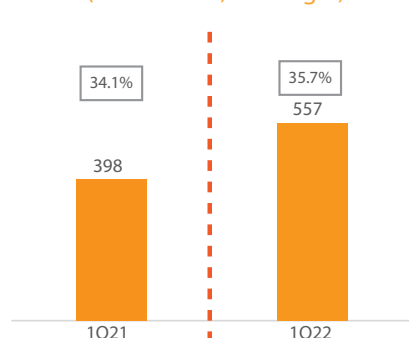




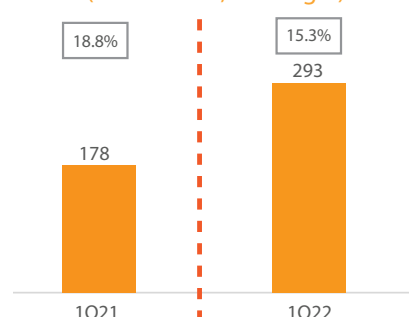
## Revenue Progression (EGP million)



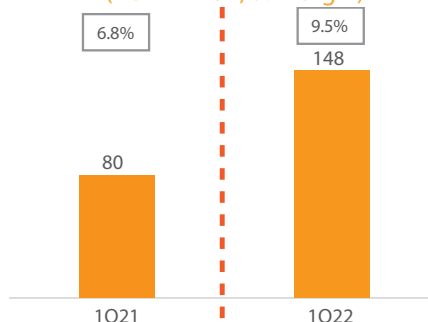
## Gross Profit Progression (EGP million, % margin)



## EBITDA Progression (EGP million, % margin)



## Net Profit Progression (EGP million, % margin)



## Results in a Nutshell

Edita Food Industries S.A.E. (EFID.CA on the Egyptian Exchange & EFID.L on the London Stock Exchange), a leader in the Egyptian packaged snack food market, announced today its results for the quarter ended 31 March 2022, recording revenues of EGP 1,559.0 million, a 33.7% y-o-y increase, and a 39.9% y-o-y gross profit expansion to EGP 556.6 million. Net profit recorded EGP 148.1 million in 1Q2022, up an impressive 85.9% y-o-y with a net profit margin of 9.5% compared to 6.8% in the same quarter last year.

Edita carried over the momentum from 2021 into the first quarter of the new year to deliver strong top-line results, profitability growth and improved margins. Having preemptively repriced and optimized its product portfolio in 4Q2021, the company was able to navigate the inflationary environment exacerbated by the devaluation of the Egyptian pound. Average price per pack in the first quarter reached EGP 2.03, up 15.6% y-o-y, driven by portfolio optimization as well as direct and indirect price increases carried out in 4Q2021 to ease the pressure on profitability margins. Edita's ability to increase prices and grow sales volumes demonstrates strong demand resilience for the company's products. On the volumes front, Edita recorded a 15.6% y-o-y growth in total packs sold to 769.7 million, with cakes, wafers and rusks being the main contributors to volume growth in 1Q2022.

In 1Q2022, Edita's gross profit recorded EGP 556.6 million, up 39.9% y-o-y, yielding a gross profit margin of 35.7% versus the 34.1% recorded last year. The results were underlined by a successful migration to higher-price points and efficiently managing costs to protect profitability. Manufacturing overheads (MOH) declined to 10.6% as a percentage of sales in 1Q2022 compared to 13.2% in 1Q2021 on the back of higher volumes and economies of scale. Consequently, gross profitability improved despite a 38% y-o-y increase in direct material costs brought about by surges in raw material costs and supply chain disruptions that are driving global commodity prices to record highs.

Total SG&A for 1Q2022 stood at EGP 292.8 million, a 14.3% y-o-y increase; however, Edita's SG&A as a percentage of sales declined to 18.8% compared to 22.0% in the first quarter of last year. The decrease as a percentage of sales was achieved despite an increase in advertising and marketing expenses, which grew 30.2% y-o-y.

EBITDA for the quarter recorded EGP 293.4 million, up 64.8% y-o-y, with an EBITDA margin of 18.8% compared to 15.3% in 1Q2021. Improved EBITDA was supported by SG&A efficiency and a high operating leverage.

Net profit for the quarter grew an impressive 85.9% y-o-y to EGP 148.1 million, with a net profit margin of 9.5% versus 6.8% for 1Q2021, supported by strong performance down the income statement. Edita incurred an EGP 27.5 million FX loss in 1Q2022 due to the devaluation of the Egyptian pound in March 2022.

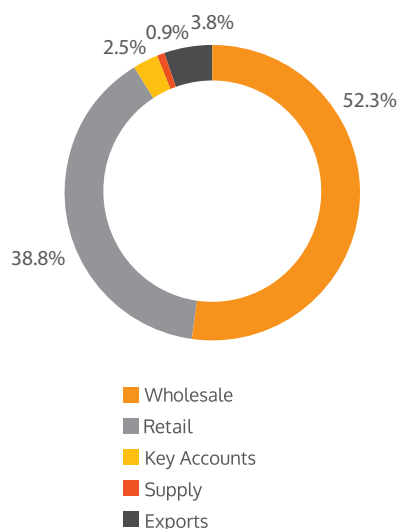
In 1Q2022, Edita recorded gross export sales of EGP 78.0 million, up by a strong 75.4% y-o-y and contributing 5.0% to total revenues during the quarter compared to 3.8% in 1Q2021.

On the regional front, Edita officially inaugurated its state-of-the-art Morocco facility, which commenced operations in December 2021 with the production of the company's flagship cake brand HOHOS. The facility marks a major milestone in Edita's regional ex-

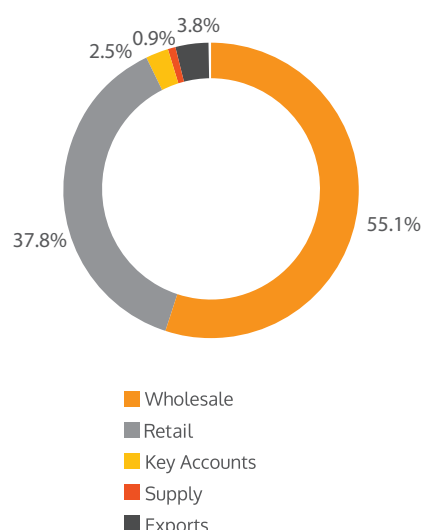




Revenue Contribution by Distribution Channel 1Q2022\*



Revenue Contribution by Distribution Channel 1Q2021\*



pansion strategy and enables the company to strengthen its presence in the attractive Moroccan market which boasts a dynamic economy and population of 37 million consumers but more importantly sets the foundations from which to further grow across the MENA region. In 1Q2022, Edita Morocco recorded EGP 20.5 million in revenues in its first full quarter of operations.

## Operational Developments

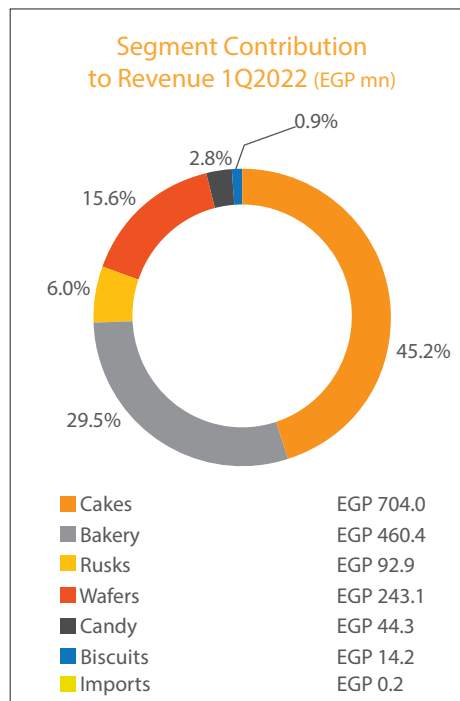
Rolling out innovative and differentiated products that appeal to consumer evolving tastes continues to be a top priority for the company in 2022. In the first weeks of 2022, Edita launched its latest wafer product, Freska Choco Sticks, a rolled wafer with chocolate coating and chocolate hazelnut filling, retailing at EGP 3.0 per pack under the Freska brand. This was later followed by the launch of Oniro LAVA at the biscuit segment, retailing at a competitive EGP 3.0 per pack. Sold under the Oniro brand, Oniro LAVA is a flavoured biscuit filled with cocoa hazelnut cream and is offered in vanilla and chocolate flavours. In February 2022, Edita announced the rebranding of its Molto Sandwich line of baked snacks. Reintroduced as Molto Fino, the filled sandwich product is offered in eight flavours, which expands the company's portfolio in the savoury subsegment of Egypt's bakery market. Both product launches were supported by dedicated marketing and advertisement campaigns featuring top-class celebrities and were very successful in driving demand for the new products.

On March 21, 2022, the Central Bank of Egypt decided to raise key interest rates by 100 basis points and to allow increased exchange rate flexibility as a means of absorbing macroeconomic shocks and maintaining Egypt's economic stability and competitiveness. In response to the devaluation of the Egyptian pound, Edita instituted price increases at its bakery and wafer segments. Bakery products previously priced at EGP 4.0 per pack have been repriced at EGP 5.0 per pack, while bakery products priced at EGP 5.0 per pack have been repriced at EGP 7.0 per pack. Meanwhile, wafer bar products under the Freska label priced at EGP 2.0 per pack have been repriced at EGP 3.0 per pack. The increase in prices is aimed at mitigating the impacts of global inflationary pressures and persistently rising commodity prices as well as protecting profitability.

The current state of the global business environment poses many operational challenges, including supply chain disruptions, shortages in raw materials and reduced availability of freight services. The challenges are in part mitigated by Edita's long-standing relationships with global and local suppliers, which have allowed the company to maintain a highly favourable supply position in the market. Edita is closely monitoring prices and stock levels across its markets with the goal to secure its requirements at the best cost attainable and to ensure production continuity.

\* Figures are based on gross sales



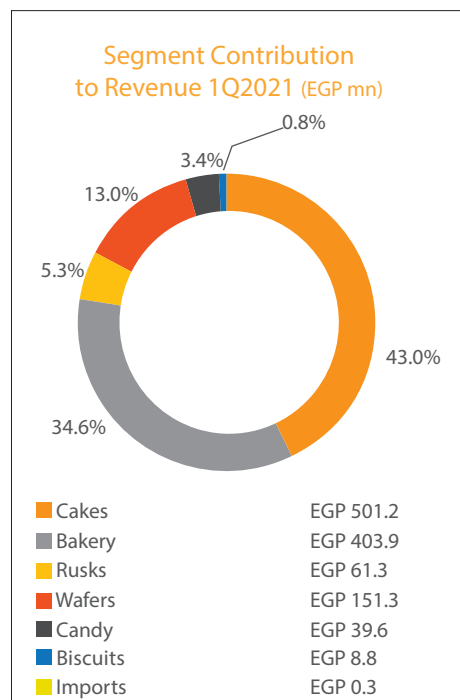


## Overview of Segment Performance

### 1Q2022 Revenue Growth by Segment (y-o-y)

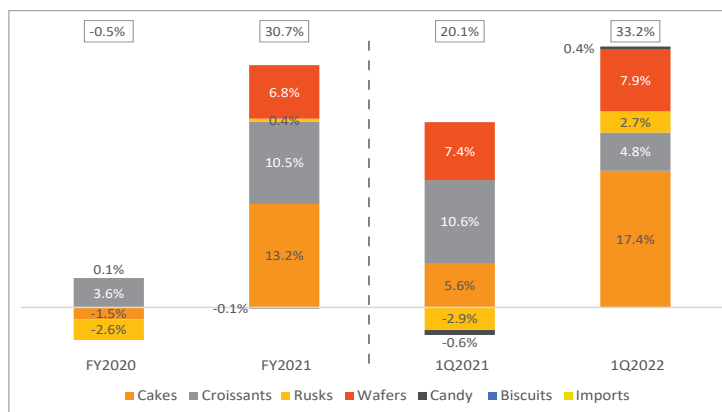


On a segment basis, Edita's consolidated top-line growth was supported by strong performances in all six segments, resulting in an impressive 33.7% y-o-y growth for the quarter. The company's cakes segment continued to account for the largest contribution to consolidated revenue growth, recording revenues of EGP 704.0 million in 1Q2022, up 40.5% versus 1Q2021. Twinkies was the main driver in the segment increasing over 50% y-o-y in value owing to the product's rebranding at the end of 2021, followed by HOHOs which continued to grow by 30% y-o-y. Growth in the cakes segment was supported by both an increase of 25.4% y-o-y in packs sold and a 12.0% y-o-y increase in the average price per pack. The ability to drive both volume and price growth attests to the brand's resilience and the company's ability to pass on higher price-points. At the bakery segment, revenue grew by 14.0% y-o-y in 1Q2022 to EGP 460.4 million on the back of a 35.5% y-o-y increase in the average price per pack, which helped offset the 15.9% y-o-y decline in volumes sold. Revenue from the wafers segment continued to grow substantially recording EGP 243.1 million during the quarter, up 60.7% y-o-y, as volumes grew 49.3% y-o-y and prices increased 7.6% y-o-y. The biscuits segment saw its top-line expand by 62.1% y-o-y, reflecting a 33.3% increase in packs sold and a 21.6% increase in the average price per pack in 1Q2022. The significant increase in volumes was driven by the launch of Oniro LAVA in mid-February 2022, which was well-received by consumers. Meanwhile, the rusks segment continued to perform well in the first quarter of the year, recording a 51.4% y-o-y increase to EGP 92.9 million in 1Q2022. The results were driven by a 29.5% y-o-y increase in volumes of packs sold coupled with a 16.9% y-o-y in average price per pack. Finally, revenue in the candy segment grew 11.7% y-o-y in 1Q2022 driven by a 157.5% increase in average price per pack, which offset a 56.6% y-o-y contraction in volumes as the company focused on selling family-sized packs during the quarter.

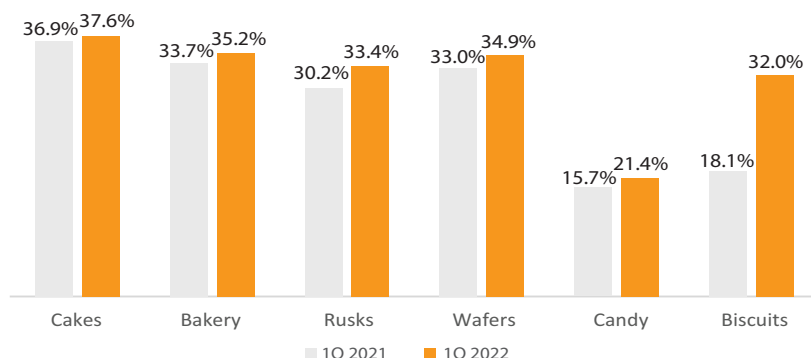




### Weighted Revenue Growth Breakdown



### Gross Profit Margin by Product Segment\*



Edita's consolidated gross profit rose by 39.9% y-o-y during 1Q2022 to reach EGP 556.6 million with improved performances recorded across all segments despite higher costs of raw materials and ongoing supply chain disruptions. Edita successfully mitigated a portion of the cost increases through refined pricing and an optimized portfolio, along with cost efficiencies.

Edita's cakes segment recorded a year-on-year gross profit growth of 42.9% in 1Q2022 with a gross profit of EGP 264.5 million and a GPM of 37.6% compared to 36.9% in 1Q2021. Meanwhile, the bakery segment saw its gross profit expand 19.0% y-o-y to reach EGP 162.2 million in 1Q2022, with a GPM of 35.2% versus 33.7% in 1Q2021. The company's wafers segment recorded a year-on-year gross profit growth of 69.8% in 1Q2022 with a gross profit of EGP 84.8 million and a GPM of 34.9%. Similarly, at the rusks segment gross profit expanded by 67.3% y-o-y to reach EGP 31.0 million for the quarter, with a GPM of 33.4% against the 30.2% recorded one year previously. The candy segment posted a year-on-year gross profit growth of 52.3% in 1Q2022, with a GPM of 21.4% compared to 15.7% in 1Q2021. Finally, Edita's biscuits segment posted the highest rate of gross profit growth during the quarter, recording a 186.0% y-o-y increase to EGP 4.5 million for 1Q2022. The segment recorded a healthy gross profit margin expansion to 32.0% in 1Q2022 against the 18.1% recorded in the first quarter of the previous year. The segment's results during the quarter benefitted from the launch of ONIRO Lava, a more competitive and profitable product.

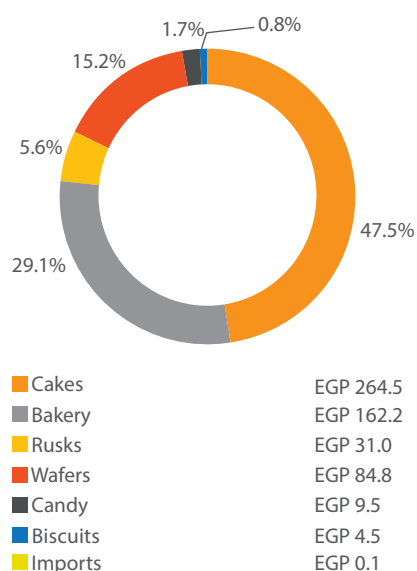




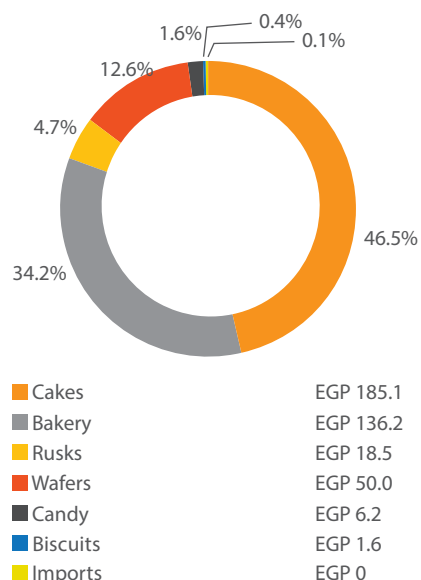
# 1Q2022 EARNINGS RELEASE

Cairo, Egypt | 15 May 2022

Segment Contribution to Gross profit 1Q2022 (EGP mn)



Segment Contribution to Gross profit 1Q2021 (EGP mn)



## Revenue and Gross Profitability by Segment

EGP mn	1Q2022	1Q2021	Change
<b>Cakes</b>			
Revenue	704.0	501.2	40.5%
Gross Profit	264.5	185.1	42.9%
Gross Profit Margin	37.6%	36.9%	0.7pts
<b>Bakery</b>			
Revenue	460.4	403.9	14.0%
Gross Profit	162.2	136.2	19.0%
Gross Profit Margin	35.2%	33.7%	1.5pts
<b>Wafers</b>			
Revenue	243.1	151.3	60.7%
Gross Profit	84.8	85.2	69.8%
Gross Profit Margin	34.9%	33.0%	1.9pts
<b>Rusks</b>			
Revenue	92.9	61.3	51.4%
Gross Profit	31.0	18.5	67.3%
Gross Profit Margin	33.4%	30.2%	3.2pts
<b>Candy</b>			
Revenue	44.3	39.6	11.7%
Gross Profit	9.5	6.2	52.3%
Gross Profit Margin	21.4%	15.7%	5.7pts
<b>Biscuits</b>			
Revenue	14.2	8.8	62.1%
Gross Profit	4.5	1.6	186.0%
Gross Profit Margin	32.0%	18.1%	13.9pts
<b>Total Revenues*</b>	<b>1,559.0</b>	<b>1,166.3</b>	<b>33.7%</b>
<b>Total Gross Profit*</b>	<b>556.6</b>	<b>397.9</b>	<b>39.9%</b>
<b>Total GPM</b>	<b>35.7%</b>	<b>34.1%</b>	<b>1.6pts</b>

\*Includes contributions from Edita's imports segment

The figures displayed are based on unaudited results drawn from management accounts and finance department numbers (IFRS).



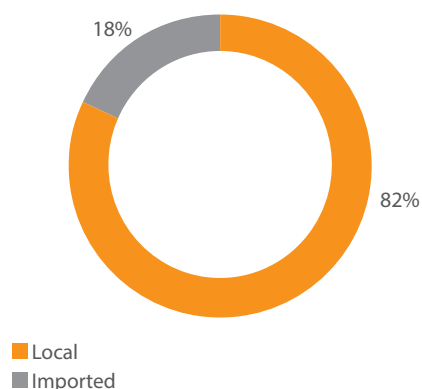




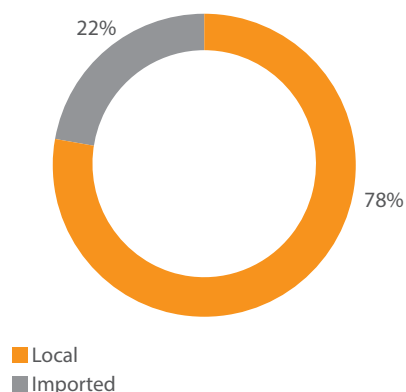
# 1Q2022 EARNINGS RELEASE

Cairo, Egypt | 15 May 2022

Imported vs. local direct material  
1Q2022



Imported vs. local direct material  
1Q2021



## Segment Volumes and Prices

EGP mn	1Q2022	1Q2021	Change
<b>Cakes</b>			
Packs (mn)	433	345	25.4%
Tons (000s)	13.8	13.5	2.2%
Av. Price (EGP)	1.63	1.45	12.0%
<b>Bakery</b>			
Packs (mn)	149	177	-15.9%
Tons (000s)	9.1	10.2	-10.7%
Av. Price (EGP)	3.09	2.28	35.5%
<b>Rusks</b>			
Packs (mn)	42	32	29.5%
Tons (000s)	1.6	1.3	29.5%
Av. Price (EGP)	2.23	1.90	16.6%
<b>Wafers</b>			
Packs (mn)	132	88	49.3%
Tons (000s)	3.0	2.5	21.5%
Av. Price (EGP)	1.84	1.71	7.6%
<b>Candy</b>			
Packs (mn)	8	18	-56.6%
Tons (000s)	0.8	0.9	-7.4%
Av. Price (EGP)	5.59	2.17	157.5%
<b>Biscuits</b>			
Packs (mn)	6	4	33.3%
Tons (000s)	0.2	0.1	110.1%
Av. Price (EGP)	2.43	2.00	21.6%
<b>Total Packs* (mn)</b>	<b>770</b>	<b>666</b>	<b>15.6%</b>
<b>Total Tons* (000s)</b>	<b>28.6</b>	<b>28.5</b>	<b>0.3%</b>
<b>Av. Edita Price (EGP)</b>	<b>2.03</b>	<b>1.75</b>	<b>15.6%</b>

\*Includes contributions from Edita's imports segment

The figures displayed are based on unaudited results drawn from management accounts and finance department numbers (IFRS).

## Balance Sheet

The company's total loans and borrowings as at 31 March 2022 stood at EGP 1,057.6 million, down from EGP 1,195.2 million as at year-end 2021. Edita's total bank overdrafts recorded EGP 211.9 million as at 31 March 2022 versus EGP 400.7 million at year-end 2021. Edita recorded EGP 70.2 million in net cash as at 31 March 2022 compared to EGP 189.3 million in net debt at year-end 2021.

Edita's reported inventories of EGP 506.5 million as at 31 March 2022, down from EGP 526.5 million as at 31 December 2021. Meanwhile, trade receivables stood at EGP 35.0 million as at 31 March 2022, up from EGP 30.2 million as at 31 December 2021.

Edita's total CAPEX for the quarter ended 31 March 2022 was EGP 43.4 million including enhancements in existing production lines and maintenance expenses.





## New Product Launches 2021/22



## Egyptian Accounting Standards Reconciliation to IFRS

Edita's EAS and IFRS financial statements differ in the treatment of employees' profit share, which is expensed under the IFRS, while the EAS accounts for them as a distribution and are thus not included on the income statement. Also, EAS and IFRS differ in the calculation of EBITDA. In 1Q2022, EGP 5.3 million in FX loss and EGP 14,843 related to losses on the sale of fixed assets were added to EBITDA. Moreover, a profit share deduction of EGP 14.9 million was made, bringing total EAS to IFRS adjustments on EBITDA to EGP 9.5 million. A reconciliation between Edita's financial statements in EAS with the IFRS-based financial statements for 1Q2022 is provided in the table below.

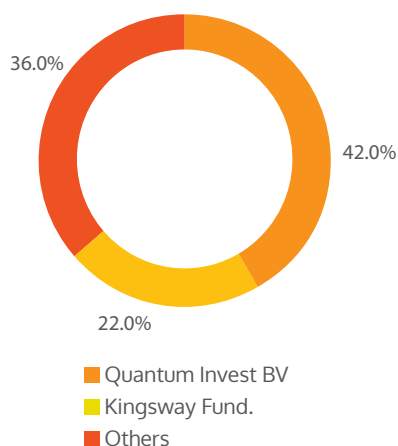
in EGP mn*	1Q2022 EAS	Adjustment	1Q2022 IFRS
<b>Net Sales</b>	<b>1,559.0</b>		<b>1,559.0</b>
COGS (excluding MOH)	805.0		805.0
MOH	159.4	(6.1)	165.6
Total	964.4	(6.1)	970.6
<b>Gross Profit</b>	<b>562.8</b>	<b>6.1</b>	<b>556.6</b>
<i>Gross Profit Margin</i>	<i>36.1%</i>		<i>35.7%</i>
Selling & Distribution Exp.	103.5	(4.8)	108.3
Advertising & Marketing Exp.	95.6		95.6
General & Admin. Exp.	84.9	(4.0)	88.9
Other Operational Exp.	21.2	0.9	20.2
<b>Profit from Operations</b>	<b>257.5</b>	<b>14.0</b>	<b>243.6</b>
<i>Profit from Operations Margin</i>	<i>16.5%</i>		<i>15.6%</i>
Lease Finance Interest	2.7	(0.3)	3.1
<b>Profit Before Income Tax</b>	<b>221.4</b>	<b>14.3</b>	<b>207.1</b>
Income Tax Expense	59.0		59.0
<b>Net Profit After Tax</b>	<b>162.4</b>	<b>14.3</b>	<b>148.1</b>
<i>Net Profit After Tax Margin</i>	<i>10.4%</i>		<i>9.5%</i>
<b>EBITDA</b>	<b>302.9</b>	<b>9.5</b>	<b>293.4</b>
<i>EBITDA Margin</i>	<i>19.4%</i>		<i>18.8%</i>

\*Figures are based on management accounts for better disclosure on expenses breakdown  
The figures displayed are based on unaudited results drawn from management accounts and finance department numbers (IFRS).





## Shareholder Structure as of 1Q 2022



## Investor Contacts

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## About Edita Food Industries

Edita, founded in 1996 and headquartered in Egypt, is a leader in the growing Egyptian packaged snack food market. The Company manufactures, markets and distributes a range of branded baked snack products including packaged cakes, bakery, rusks (baked wheat), wafers and biscuits as well as selected confectionary/candy products. The Company's local brand portfolio includes household names such as Todo, Molto, Bake Rolz, Bake Stix, Freska, Oniro and MiMix. The Company also has the exclusive ownership of the international Hostess brands Twinkies, Hoho's and Tiger Tail in Egypt, Libya, Jordan, Palestine, Morocco, Algeria, Tunisia, Syria, Lebanon, Iraq, Bahrain, Oman, the UAE, Kuwait, Qatar and Saudi Arabia; and is party to a technical assistance and know-how agreement to manufacture 11 additional Hostess brands across its territories. The Company holds strong number-one market positions in its core cake and bakery segments as well as in rusks, a leading market position in candy and a growing market position in the wafers segment. In 1Q2022, the Company derived 95.0% of its revenue from Egypt and 5.0% from regional export markets. Learn more at [ir.edita.com.eg](http://ir.edita.com.eg)

## Forward-Looking Statements

This communication contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be identified by the use of such words and phrases as "according to estimates", "aims", "anticipates", "assumes", "believes", "could", "estimates", "expects", "forecasts", "intends", "is of the opinion", "may", "plans", "potential", "predicts", "projects", "should", "to the knowledge of", "will", "would" or, in each case their negatives or other similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans, or expectations regarding business and management, future growth or profitability and general economic and regulatory conditions and other matters affecting the Company.

Forward-looking statements reflect the current views of the Company's management ("Management") on future events, which are based on the assumptions of the Management and involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The occurrence or non-occurrence of an assumption could cause the Company's actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements.

The Company's business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to differ materially from those expressed or implied by the forward-looking statements contained in this prospectus. The information, opinions and forward-looking statements contained in this communication speak only as at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this communication.

