



Edita Food Industries Reports 2Q2022/1H2022 Earnings

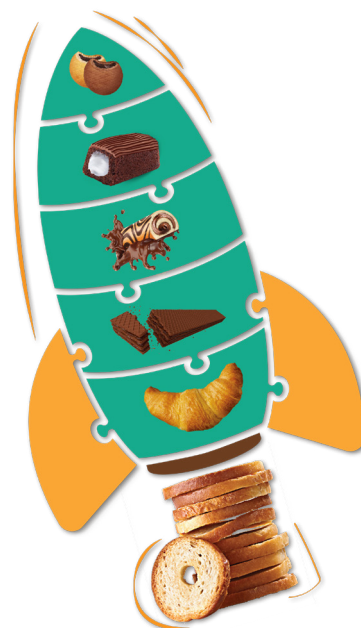
Edita more than doubled its profit year-on-year to record EGP 196.0 million in 2Q2022 with a vastly improved margin of 12.5%. Keeping the momentum going from 1Q2022, the company overcame a challenging operating environment to deliver record-breaking results with over EGP 1.5 billion in revenues.

Highlights for 2Q2022



Financial and Operational Highlights

- **Impressive revenue growth** in 2Q2022 of **36.7% y-o-y**, driven mainly by pricing despite seasonality.
- **Cakes** had an outstanding performance with **HOHOs and Twinkies** growing more than **60% y-o-y**, driven mainly by volume growth.
- **Bakery and wafers** grew in revenue due to **direct price increases**, which had a positive impact on profitability despite a drop in volumes.
- Edita is witnessing a **strong recovery in volumes across segments** in July and early August.
- **Gross profit** increased by a strong **52.4%** year-on-year in 2Q2022, despite surges in raw material costs and record-high global commodity prices. Gross profit margin grew to 33.0% in 2Q2022 compared to 29.6% in 2Q2021, supported by direct and indirect price increases.
- **EBITDA** grew by an impressive **72.4%** with an **improved margin of 17.9%** for 2Q2022, reflecting double-digit top-line growth and improved SG&A to sales ratio.
- The Company's **bottom line** was up a **significant 136.5%** y-o-y in 2Q2022 reflecting strong performance as well as operating leverage.
- **Edita Morocco generated EGP 31.6 million in 2Q2022** and EGP 51.6 million in its first half of operations.



Summary Income Statement (EGP mn)

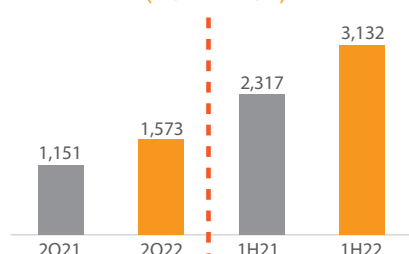
EGP mn	2Q2022	2Q2021	Change	1H2022	1H2021	Change
Revenue	1,573.2	1,150.8	36.7%	3,132.1	2,317.1	35.2%
Gross Profit	518.7	340.4	52.4%	1,075.4	739.6	45.4%
% Margin	33.0%	29.6%		34.3%	31.9%	
EBITDA	281.1	163.1	72.4%	574.5	342.5	67.7%
% Margin	17.9%	14.2%		18.3%	14.8%	
Net Profit	196.0	82.9	136.5%	344.1	164.5	109.1%
% Margin	12.5%	7.2%		11.0%	7.1%	

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."

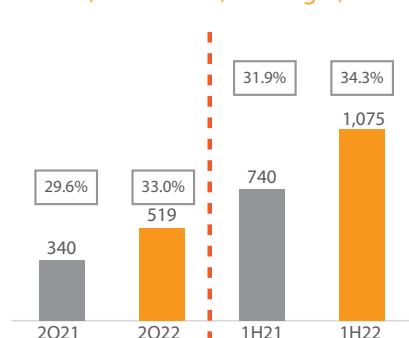




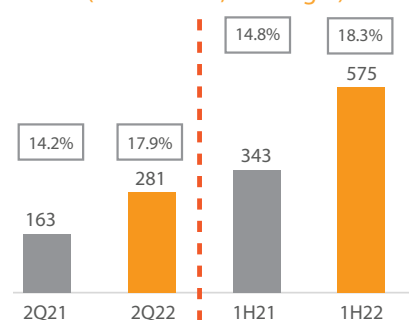
Revenue Progression
(EGP million)



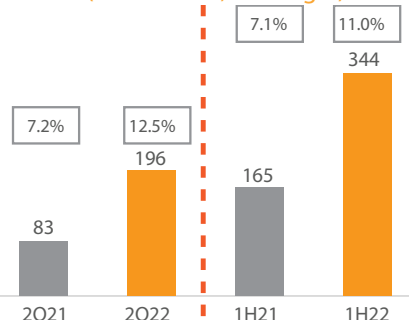
Gross Profit Progression
(EGP million, % margin)



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 second quarter ended 30 June 2022, recording revenues of EGP 1,573.2 million, a 36.7% y-o-y increase. During the second quarter, profitability improved substantially as reflected on gross profit and net profit results. Edita saw a 52.4% y-o-y gross profit expansion to EGP 518.7 million while net profit recorded EGP 196.0 million in 2Q2022, up an impressive 136.5% y-o-y with a net profit margin of 12.5% compared to 7.2% in the same quarter last year.

On a six-month basis, Edita recorded revenues of EGP 3,132.1 million in 1H2022, up a strong 35.2% compared to the first half of last year. Strong top-line growth filtered down to the company's bottom-line which expanded an impressive 109.1% y-o-y in 1H2022 to EGP 344.1 million with an associated margin of 11.0% for the period versus the 7.1% reported in 1H2021.

Having responsively repriced its product portfolio in 4Q2021 and 1Q2022, the company was able to successfully push ahead and deliver strong results despite the prevalent inflationary environment driven by rising commodity prices and exacerbated by the weakening of the Egyptian pound. In 2Q2022, average price per pack reached EGP 2.11, up 17.9% y-o-y, on the back of direct and indirect price increases to ease the pressure on profitability margins. In terms of volumes, Edita recorded a 15.9% y-o-y increase in total packs sold to 746.2 million, with the cakes driving volume growth during the quarter and outweighing volume decreases mainly in bakery and wafers. In 1H2022, average price per pack increased 16.8% y-o-y to EGP 2.07 and total packs sold reached 1,515.8 million, up 15.8% compared to 1H2021.

Gross profit reached EGP 518.7 million in 2Q2022, up 52.4% y-o-y, yielding a gross profit margin of 33.0% versus the 29.6% recorded last year. The company delivered an improved gross profit margin despite a 34.4% y-o-y increase in direct material costs. Manufacturing overheads (MOH) declined to 11.1% as a percentage of sales in 2Q2022 compared to 12.8% in 2Q2021 on the back of economies of scale and further efficiencies. On a year-to-date basis, gross profit recorded EGP 1.1 billion, up by 45.4% compared to 1H2021. Meanwhile, gross profit margin recovered to reach 34.3% in 1H2022 compared to 31.9% last year.

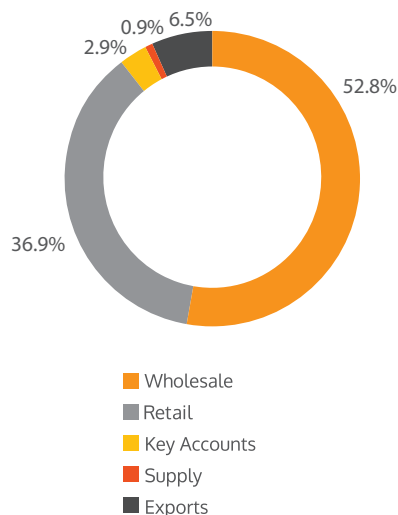
Total SG&A for 2Q2022 stood at EGP 280.4 million, a 23.9% y-o-y increase; however, SG&A as a percentage of sales declined to 17.8% compared to 19.7% in the second quarter of last year. This was primarily due to a decline in selling and distribution expenses as a percentage of sales and higher operating leverage. In 1H2022, total SG&A recorded EGP 573.2 million which accounted for 18.3% as a percentage of sales versus 20.8% in 1H2021.

EBITDA for the quarter recorded EGP 281.1 million, up 72.4% y-o-y, with an EBITDA margin of 17.9% compared to 14.2% in 2Q2021. Improved EBITDA was supported by SG&A efficiency and a high operating leverage. On a six-month basis, EBITDA rose by 67.7% y-o-y in 1H2022 to reach EGP 574.5 million, yielding an EBITDA margin of 18.3% for the period.

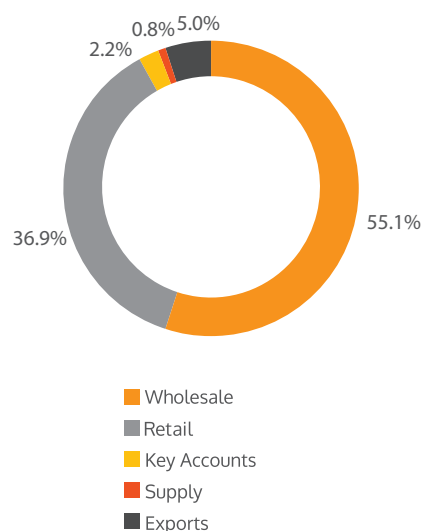




Revenue Contribution by Distribution Channel 2Q2022*



Revenue Contribution by Distribution Channel 2Q2021*



Net profit for the quarter grew an impressive 136.5% y-o-y to EGP 196.0 million, with an improved net profit margin of 12.5% versus 7.2% for 2Q2021, supported by strong performance down the income statement. Edita Morocco was consolidated starting May 2022 resulting in EGP 30.9 million in gains from associates for the quarter. Moreover, a gain on the sale of fixed assets of EGP 7.5 million was realized in 2Q2022. On a year-to-date basis, net profit grew by 109.1% y-o-y to record EGP 344.1 million with an associated net profit margin of 11.0% compared to 7.1% in 1H2021.

In 2Q2022, gross export sales recorded EGP 101.5 million, up 75.1% y-o-y and contributing 6.5% to total revenues during the quarter compared to 5.0% in 2Q2021.

On the regional front, Edita Morocco has completed its second full quarter of operations. In 2Q2022, Edita Morocco recorded EGP 31.6 million in revenues, bringing the total amount in the first half of the year to EGP 51.6 million. In 2Q2022, total packs sold in Morocco reached 16 million. The facility marks a key milestone in Edita's regional expansion strategy and enables the company to strengthen its presence in the attractive Moroccan market.

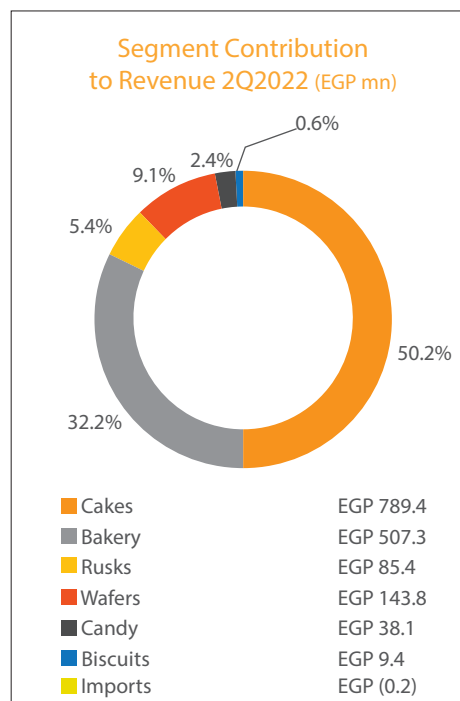
Operational Developments

In the first half of 2022, Edita introduced several differentiated products that cater to consumer evolving tastes. In January, the company 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 in February by the launch of Oniro LAVA at the biscuit segment, a filled biscuit with cocoa hazelnut cream offered in vanilla and chocolate flavours and retailing at a competitive EGP 3.0 per pack. In February, the rebranding of its Molto Sandwich line of baked snacks was announced. 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.

In order to mitigate the impacts of global inflationary pressures and persistently rising commodity prices as well as to protect profitability, Edita implemented two rounds of direct price increases and product reconfigurations. The first took place in 4Q2021 and saw bakery products previously priced at EGP 2.0 per pack repriced at EGP 3.0 per pack and those priced at EGP 3.0 per pack move up to EGP 4.0 per pack. The second round of direct price increases was put into effect in 1Q2022 and applied to the bakery and wafer segments. Bakery products previously priced at EGP 4.0 per pack were repriced at EGP 5.0 per pack, while those priced at EGP 5.0 per pack were 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. In 2Q2022, at the rusks segment consumers migrated to the EGP 3.0 price point and products priced at EGP 2.0 per pack were delisted. Additionally, indirect price increases were introduced at the cakes segment through product downsizing.

* Figures are based on gross sales



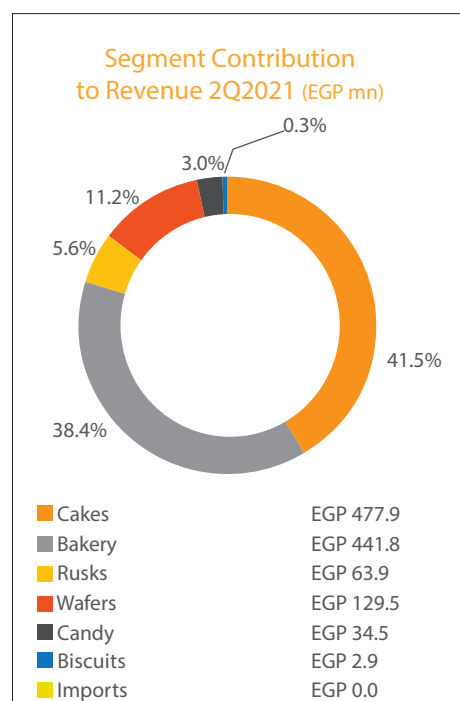


Overview of Segment Performance

2Q2022 Revenue Growth by Segment (y-o-y)

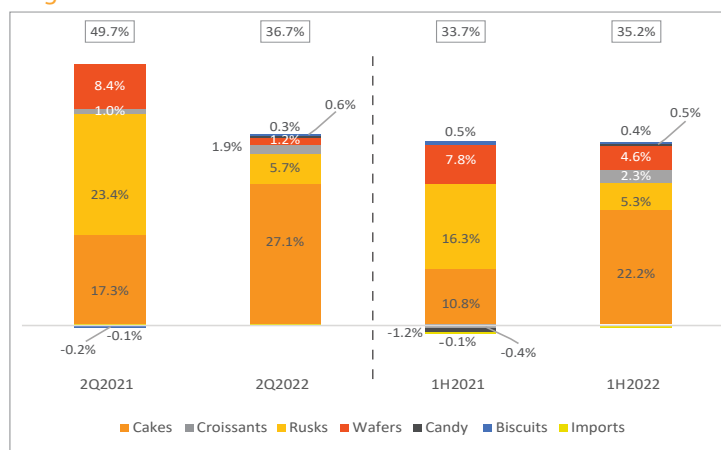


On a segment basis, Edita's impressive consolidated 36.7% y-o-y top-line growth during the quarter was supported by increased revenues across all six segments primarily driven by higher prices. The company's cakes segment continued to account for the largest contribution to consolidated revenue growth, recording revenues of EGP 789.4 million in 2Q2022, up 65.2% versus 2Q2021. Growth in the cakes segment was supported by an increase of 46.8% y-o-y in packs sold coupled with a 12.5% y-o-y increase in the average price per pack. At the bakery segment, revenue grew by 14.8% y-o-y in 2Q2022 to EGP 507.3 million on the back of a 44.5% y-o-y increase in the average price per pack, which mitigated the 20.5% y-o-y decline in volumes sold. Revenue from the wafers segment recorded EGP 143.8 million during the quarter, up 11.0% y-o-y, as average price per pack increased 24.8% y-o-y offsetting an 11.0% y-o-y drop in packs sold. Meanwhile, the rusks segment continued to perform well in the second quarter of the year, recording a 33.7% y-o-y increase in revenues to EGP 85.4 million in 2Q2022. The results were driven by a 35.0% y-o-y increase in average price per pack as volumes dropped a marginal 1.0% y-o-y. Revenue in the candy segment expanded 10.4% y-o-y in 2Q2022. Finally, the biscuits segment saw its top-line expand substantially by 224.1% y-o-y recording EGP 9.4 million during the quarter as volumes grew 170.9% y-o-y and average price per pack increased 19.6% y-o-y.

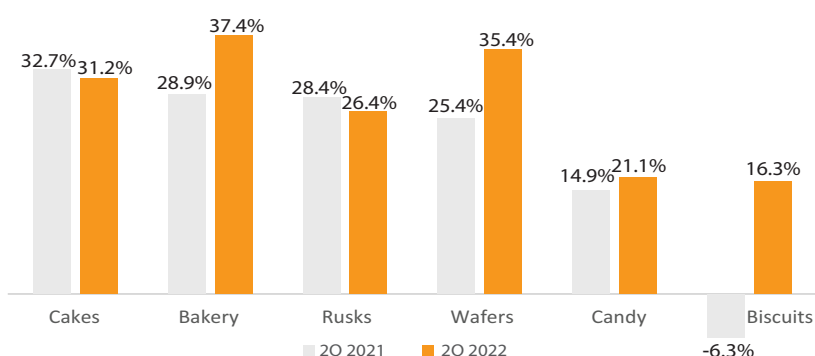




Weighted Revenue Growth Breakdown



Gross Profit Margin by Product Segment*



Consolidated gross profit for the second quarter of the year rose 52.4% y-o-y to reach EGP 518.7 million with year-on-year gross profit growth recorded across all segments despite the persistence of inflationary pressures on account of global supply chain disruptions and rising commodity prices during the previous quarters.

The cakes segment recorded a year-on-year gross profit growth of 57.2% in 2Q2022 with a gross profit of EGP 246.0 million and a GPM of 31.2% compared to 32.7% in 2Q2021. Edita did not impose any direct price increases in the segment and is sustaining profitability through product downsizing. At the bakery segment, gross profit expanded 48.6% y-o-y to reach EGP 189.8 million in 2Q2022, with an impressive GPM recovery of 37.4% against the 28.9% recorded one year previously. These results were achieved through direct price increases, which reflected positively on margins. The company's wafers segment recorded a year-on-year gross profit growth of 54.5% in 2Q2022 with a gross profit of EGP 50.9 million and a GPM of 35.4% compared to 25.4% last year, due to the introduction of direct price increases. At the rusks segment gross profit expanded by 24.6% y-o-y to reach EGP 22.6 million for the quarter, with a GPM of 26.4% versus 28.4% in 2Q2021. Meanwhile, the candy segment posted a year-on-year gross profit growth of 55.7% in 2Q2022, with a GPM of 21.1% compared to 14.9% in 2Q2021. Finally, Edita's biscuits segment recorded a gross profit of EGP 1.5 million with a GPM of 16.3% during the quarter compared to the loss recorded last year.

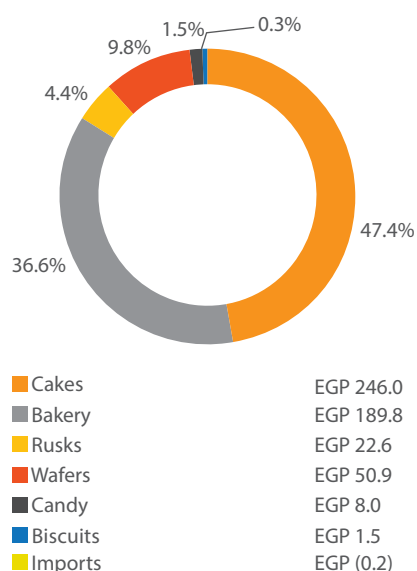




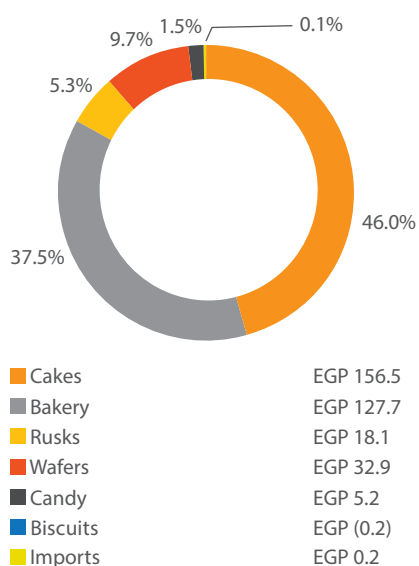
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Segment Contribution
to Gross profit 2Q2022 (EGP mn)



Segment Contribution
to Gross profit 2Q2021 (EGP mn)



Revenue and Gross Profitability by Segment

EGP mn	2Q2022	2Q2021	Change	1H2022	1H2021	Change
Cakes						
Revenue	789.4	477.9	65.2%	1,493.5	979.1	52.5%
Gross Profit	246.0	156.5	57.2%	510.6	342.9	48.9%
Gross Profit Margin	31.2%	32.7%	-1.5pts	34.2%	35.0%	-0.8pts
Bakery						
Revenue	507.3	441.8	14.8%	967.6	845.6	14.4%
Gross Profit	189.8	127.7	48.6%	352.0	264.0	33.3%
Gross Profit Margin	37.4%	28.9%	8.5pts	36.4%	31.2%	5.2pts
Wafers						
Revenue	143.8	129.5	11.0%	386.8	280.8	37.8%
Gross Profit	50.9	32.9	54.5%	135.7	82.9	63.7%
Gross Profit Margin	35.4%	25.4%	10.0pts	35.1%	29.5%	5.6pts
Rusks						
Revenue	85.4	63.9	33.7%	178.3	125.2	42.4%
Gross Profit	22.6	18.1	24.6%	53.6	36.7	46.2%
Gross Profit Margin	26.4%	28.4%	-2.0pts	30.1%	29.3%	0.8pts
Candy						
Revenue	38.1	34.5	10.4%	82.4	74.1	11.1%
Gross Profit	8.0	5.2	55.7%	17.5	11.4	53.9%
Gross Profit Margin	21.1%	14.9%	6.2pts	21.2%	15.3%	5.9pts
Biscuits						
Revenue	9.4	2.9	224.1%	23.6	11.6	102.4%
Gross Profit	1.5	(0.2)	-	6.1	1.4	331.3%
Gross Profit Margin	16.3%	-6.3%	22.6pts	25.7%	12.1%	13.6pts
Total Revenues*	1,573.2	1,150.8	36.7%	3,132.1	2,317.1	35.2%
Total Gross Profit*	518.7	340.4	52.4%	1,075.4	739.6	45.4%
Total GPM	33.0%	29.6%	3.4pts	34.3%	31.9%	2.4pts

*Includes contributions from Edita's imports segment

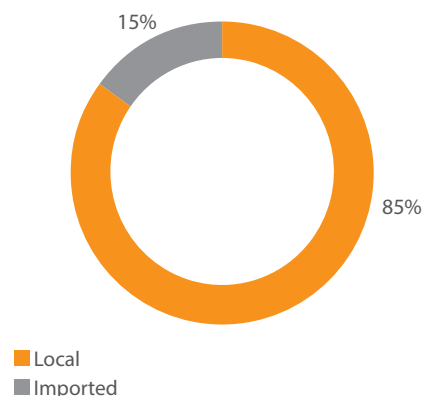




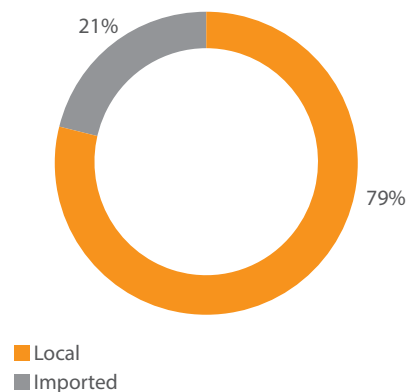
2Q2022/1H2022 EARNINGS RELEASE

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Imported vs. local direct material
2Q2022



Imported vs. local direct material
2Q2021



Segment Volumes and Prices

EGP mn	2Q2022	2Q2021	Change	1H2022	1H2021	Change
Cakes						
Packs (mn)	488	333	46.8%	921	678	35.9%
Tons (000s)	14.3	12.7	12.4%	28.0	26.1	7.1%
Av. Price (EGP)	1.62	1.44	12.5%	1.62	1.44	12.2%
Bakery						
Packs (mn)	149	187	-20.5%	298	364	-18.3%
Tons (000s)	8.7	11.0	-20.4%	17.9	21.2	-15.7%
Av. Price (EGP)	3.41	2.36	44.5%	3.25	2.32	40.0%
Wafers						
Packs (mn)	65	73	-11.0%	197	161	22.1%
Tons (000s)	1.5	2.1	-26.9%	4.5	4.6	-0.6%
Av. Price (EGP)	2.23	1.78	24.8%	1.97	1.74	12.8%
Rusks						
Packs (mn)	34	34	-1.0%	75	66	13.9%
Tons (000s)	1.4	1.4	3.6%	3.0	2.7	12.4%
Av. Price (EGP)	2.55	1.89	35.0%	2.37	1.90	25.0%
Candy						
Packs (mn)	7	16	-55.0%	15	34	-55.9%
Tons (000s)	0.7	0.8	-12.3%	1.5	1.7	-9.7%
Av. Price (EGP)	5.28	2.15	145.6%	5.44	2.16	151.8%
Biscuits						
Packs (mn)	4	1.5	170.9%	10	6	67.7%
Tons (000s)	0.2	0.0	329.7%	0.4	0.1	164.8%
Av. Price (EGP)	2.37	1.98	19.6%	2.41	2.00	20.6%
Total Packs* (mn)	746	644	15.9%	1,516	1,309	15.8%
Total Tons* (000s)	26.8	27.9	-4.1%	55.3	56.4	-1.9%
Av. Price/Pack (EGP)	2.11	1.79	17.9%	2.07	1.77	16.8%

*Includes contributions from Edita's imports segment

Balance Sheet

The company's total loans and borrowings as at 30 June 2022 stood at EGP 1,390.9 million, up from EGP 1,195.2 million as at year-end 2021. Total bank overdrafts recorded EGP 430.4 million as at 30 June 2022 versus EGP 400.7 million at year-end 2021. Cash balance stood at EGP 1.1 billion as at 30 June 2022 versus EGP 1.0 billion at year-end 2021. Edita recorded EGP 339.2 million in net debt as at 30 June 2022 compared to EGP 189.3 million in net debt at year-end 2021.

Total CAPEX for the period ending 30 June 2022 was EGP 98.6 million including IT, expansion, maintenance and motor vehicle expenses.





New Product Launches 2021/22



Egyptian Accounting Standards Reconciliation to IFRS

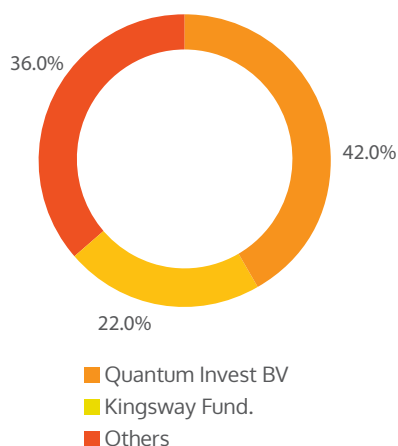
Edita's EAS and IFRS financial statements differ in the treatment of employees' profit share, which is expensed under the IFRS, while the EAS accounts for them as a distribution and are thus not included on the income statement. Also, EAS and IFRS differ in the calculation of EBITDA. In 2Q2022, EGP 2.7 million in FX gain and EGP 7.5 million related to gains on the sale of fixed assets were deducted from EBITDA. Moreover, a profit share deduction of EGP 32.6 million was made, bringing total EAS to IFRS adjustments on EBITDA to EGP 37.4 million. A reconciliation between Edita's financial statements in EAS with the IFRS-based financial statements for 1H2022 is provided in the table below.

in EGP mn*	1H2022 EAS	Adjustment	1H2022 IFRS
Net Sales	3,132.1		3,132.1
COGS (excluding MOH)	1,652.3		1,652.3
MOH	326.9	(13.8)	340.8
Total	1,979.2	(13.8)	1,993.1
Gross Profit	1,089.2	13.8	1,075.4
<i>Gross Profit Margin</i>	<i>34.8%</i>		<i>34.3%</i>
Selling & Distribution Exp.	205.0	(10.8)	215.8
Advertising & Marketing Exp.	168.0		168.0
General & Admin. Exp.	181.5	(7.9)	189.4
Other Operational Exp.	40.8	1.4	39.4
Profit from Operations	492.8	31.2	461.6
<i>Profit from Operations Margin</i>	<i>15.7%</i>		<i>14.7%</i>
Lease Finance Interest	4.4	(0.5)	4.9
Profit Before Income Tax	489.2	30.9	458.3
Income Tax Expense	114.3	0.1	114.2
Net Profit After Tax	374.9	30.8	344.1
<i>Net Profit After Tax Margin</i>	<i>12.0%</i>		<i>11.0%</i>
EBITDA	612.0	37.4	574.5
<i>EBITDA Margin</i>	<i>19.5%</i>		<i>18.3%</i>

*Figures are based on management accounts for better disclosure on expenses breakdown



Shareholder Structure as of 2Q 2022



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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 2Q2022, the Company derived 93.5% of its revenue from Egypt and 6.5% from regional export markets. Learn more at 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.

