



Edita Food Industries Reports 3Q/9M2022 Earnings

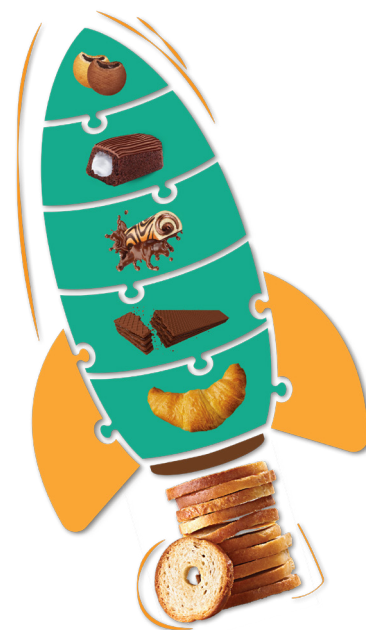
Edita delivers record-breaking results with revenue crossing the EGP 2.0 billion mark and profit increasing 2.5x year-on-year to reach EGP 286.1 million in 3Q2022 with a net profit margin of 14.2%. Regionally, export sales grew 40.3% y-o-y and the second production line is operational in Morocco which introduced the Twinkies brand in the Moroccan market.

Highlights for 3Q2022



Financial and Operational Highlights

- **Impressive revenue growth** in 3Q2022 of **44.5% y-o-y** driven by higher volumes and pricing, reaching record revenue for the quarter. Average price per ton increased 42.5% y-o-y as a result of direct and indirect price increases.
- **Cake revenue** continues its impressive performance rising more than **65% y-o-y**, due to indirect price increases as well as consumer migration to higher price points. Total packs sold increased **25% q-o-q** and **44% y-o-y** in 3Q2022 to reach 610.3 million.
- **Bakery** saw a **strong recovery** with volumes increasing **43% q-o-q** following two rounds of direct price increases in 4Q2021 and 1Q2022.
- **Cost of sales** increased 39.1% y-o-y in 3Q2022 due to surges in the prices of packaging materials, sugar, oils and fats, flour and eggs, which collectively contribute to over 85% of the cost of sales.
- **Gross profit margin** expansion to **33.8%** in 3Q2022 despite a 39.1% y-o-y increase in cost of sales driven by significant revenue growth, strong performances in all six segments and price increases.
- **EBITDA doubled** year-on-year with a **higher margin of 21.8%** for 3Q2022, reflecting strong top-line growth and improved SG&A to sales ratio.
- The Company's **bottom line** increased **2.5x y-o-y** in 3Q2022 reflecting strong performance and high operating leverage.
- **Edita Morocco generated EGP 36.9 million in 3Q2022** bringing the total for its first three quarters of operations to EGP 89.0 million.
- **Gross export sales recorded EGP 129.0 million in 3Q2022, up 40.3% y-o-y**, contributing 6.5% to total revenue for the quarter.



Summary Income Statement (EGP mn)

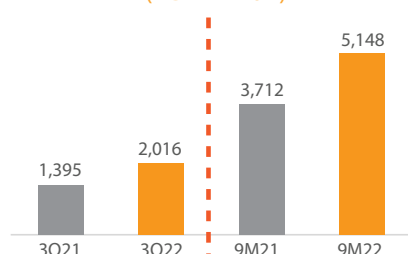
EGP mn	3Q2022	3Q2021	Change	9M2022	9M2021	Change
Revenue	2,015.6	1,394.7	44.5%	5,147.7	3,711.8	38.7%
Gross Profit	681.5	412.9	65.1%	1,756.8	1,152.5	52.4%
% Margin	33.8%	29.6%		34.1%	31.0%	
EBITDA	439.6	210.3	109.0%	1,014.1	552.8	83.5%
% Margin	21.8%	15.1%		19.7%	14.9%	
Net Profit	286.1	112.9	153.4%	630.2	277.4	127.2%
% Margin	14.2%	8.1%		12.2%	7.5%	

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."

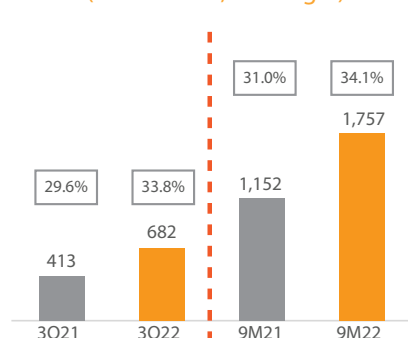




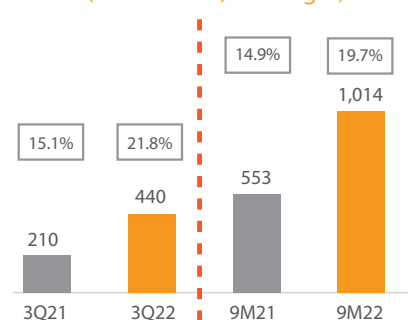
Revenue Progression
(EGP million)



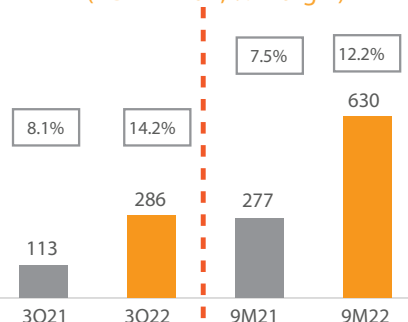
Gross Profit Progression
(EGP million, % margin)



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 third quarter ended 30 September 2022, recording revenue of EGP 2,015.6 million, a 44.5% y-o-y increase. During the third quarter, profitability continued to improve substantially as reflected on gross profit and net profit results. Edita saw a 65.1% y-o-y gross profit expansion to EGP 681.5 million while net profit recorded EGP 286.1 million in 3Q2022, up an impressive 153.4% y-o-y with a net profit margin of 14.2% compared to 8.1% in the same quarter last year.

On a nine-month basis, the company recorded revenue of EGP 5,147.7 million in 9M2022, up a strong 38.7% from the EGP 3,711.8 million reported in 9M2021. Strong top-line growth filtered down to the company's bottom-line which expanded an impressive 127.2% y-o-y in 9M2022 to EGP 630.2 million with an associated margin of 12.2% for the period versus the 7.5% reported in 9M2021.

Edita was successful in reaching new results records as it continued to expand its top-line despite an increasingly challenging operating environment. Revenue during the quarter was driven by both higher prices and volume growth. In 3Q2022, average price per pack reached EGP 2.16, up 20.8% y-o-y, and average price per ton increased 42.5% y-o-y, driven by direct and indirect price increases to mitigate the pressure on profitability margins. On the volumes front, Edita recorded a 19.7% y-o-y increase in total packs sold to 932.8 million, with cakes being the main contributor to volume growth. In 9M2022, average price per pack increased 18.3% y-o-y to EGP 2.10 and total packs sold reached 2,448.6 million, up 17.2% y-o-y compared to 9M2021.

Cost of sales booked EGP 1,100.0 million in 3Q2022, up 39.1% y-o-y, on the back of a increases in direct material components. In 3Q2022, packaging material costs increased by 33% y-o-y, fats and oil by 30% y-o-y, sugar by 42% y-o-y, flour by 52% y-o-y and eggs by 44% y-o-y. On a year-to-date basis, cost of sales was up 37.3% y-o-y to reach EGP 2,752.3 million. Similarly, in 9M2022 packaging material costs increased by 45% y-o-y, fats and oil by 40% y-o-y, sugar by 36% y-o-y, flour by 34% y-o-y, eggs by 38% y-o-y and cocoa by 38% y-o-y. Together these ingredients account for 88% of total direct materials.

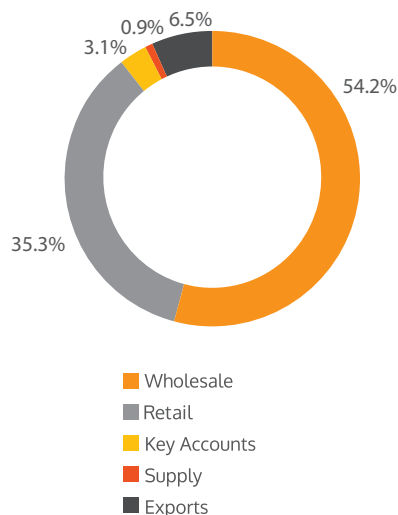
Gross profit expanded on a year-on-year basis driven by price increases and MOH efficiencies. In 3Q2022, gross profit reached EGP 681.5 million, up 65.1% y-o-y, with a gross profit margin of 33.8% versus the 29.6% recorded last year. Manufacturing overheads (MOH) declined to 9.9% as a percentage of sales in 3Q2022 compared to 11.2% in 3Q2021 on the back of economies of scale and further efficiencies. Consequently, gross profitability improved despite a 39.1% y-o-y increase in direct material costs. On a year-to-date basis, gross profit recorded EGP 1,756.8 million, up 52.4% compared to 9M2021. Meanwhile, gross profit margin reached 34.1% in 9M2022 compared to 31.0% last year.

Total SG&A for 3Q2022 stood at EGP 288.5 million, a 20.7% y-o-y increase; however, SG&A as a percentage of sales significantly declined to 14.3% compared to 17.1% in the third quarter of last year. This was due to a decline in selling and distribution as well as advertising and marketing expenses as a percentage of sales and higher operating leverage. In 9M2022, total SG&A recorded EGP 861.7 million which accounted for 16.7% as a percentage of sales versus 19.4% in 9M2021.





Revenue Contribution by Distribution Channel 3Q2022*



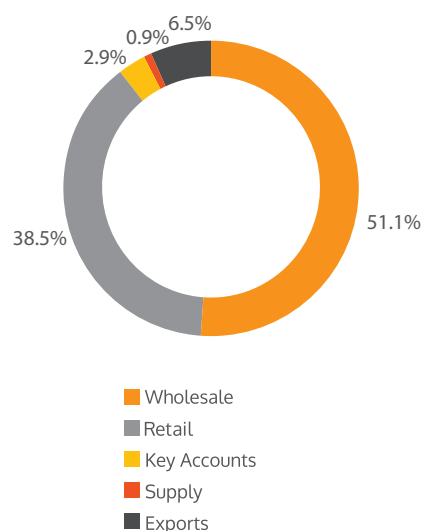
EBITDA for the quarter stood at EGP 439.6 million, up 109.0% y-o-y, with an EBITDA margin of 21.8% compared to 15.1% in 3Q2021. Improved EBITDA was supported by SG&A efficiency and a high operating leverage. On a nine-month basis, EBITDA grew 83.5% y-o-y in 9M2022 to reach EGP 1,014.1 million, yielding an EBITDA margin of 19.7% for the period versus 14.9% in 9M2021.

Net profit for the quarter grew an impressive 153.4% y-o-y to EGP 286.1 million with a greatly improved net profit margin of 14.2% versus 8.1% for 3Q2021, driven by strong performance down the income statement. On a year-to-date basis, net profit grew by 127.2% y-o-y to reach EGP 630.2 million with an associated net profit margin of 12.2% compared to 7.5% in 9M2022.

In 3Q2022, gross export sales recorded EGP 129.0 million, up 27.1% q-o-q and 40.3% y-o-y, contributing 6.5% to total revenue during the quarter.

On the regional front, Edita Morocco recorded EGP 36.9 million in revenue in its third full quarter of operations, bringing the total amount in 9M2022 to EGP 89.0 million. In 9M2022, total packs sold in Morocco reached 47 million. In October 2022, the facility began operating a new cake production line, which will produce Twinkies products for the first time in Morocco. 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.

Revenue Contribution by Distribution Channel 3Q2021*



Operational Developments

In the first nine months 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 baked filled sandwich was rebranded and reintroduced as Molto Fino. The 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 October, the company launched a new cake product, HOHOS Mix, a chocolate coated, chocolate cake filled with vanilla and cocoa cream, retailing at EGP 5.0 per pack.

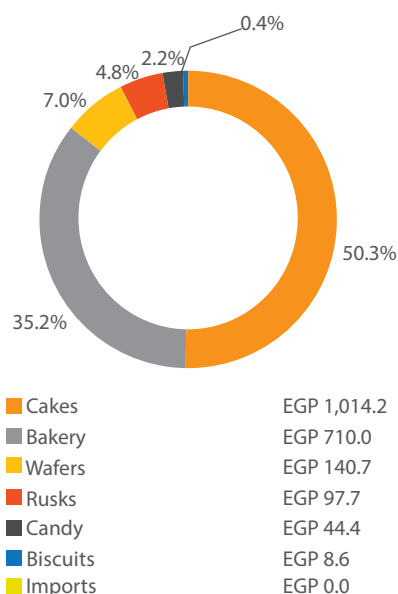
In order to mitigate the impacts of global inflationary pressures and persistently rising commodity prices as well as to protect profitability, Edita implemented two rounds of direct price increases and product reconfigurations. The first took place in 4Q2021 and saw bakery products previously priced 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 3.0 per pack have been upsized and a smaller variation retailing at EGP 2.0 per pack was introduced in October 2022. In 2Q2022, at the rusks segment consumers migrated to the EGP 3.0 price point

* Figures are based on gross sales





Segment Contribution to Revenue 3Q2022 (EGP mn)

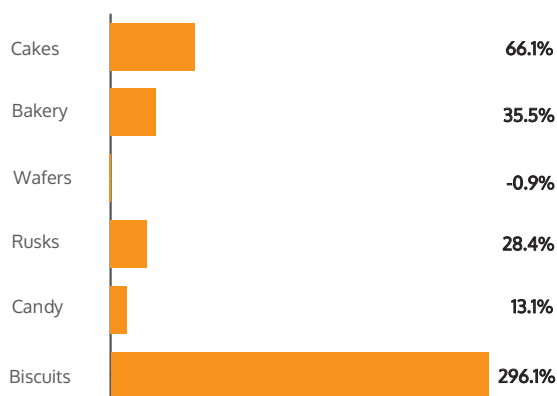


and products priced at EGP 2.0 per pack were delisted. Additionally, a series of indirect price increases were introduced at the cakes segment through product downsizing.

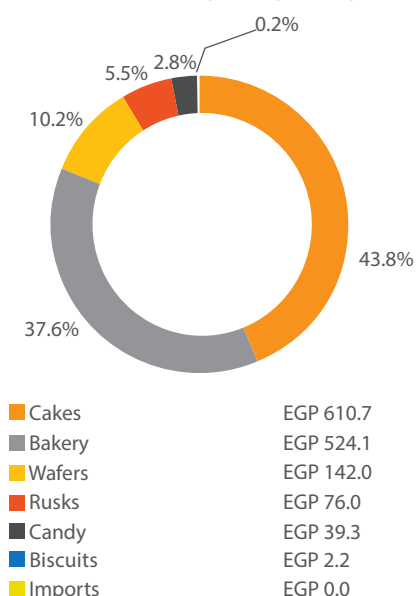
The current state of the global business environment poses many operational challenges, which are in part mitigated by Edita's long-standing relationships with global and local suppliers and have allowed the company to maintain a highly favourable supply position in the market. The teams are closely monitoring prices and stock levels in order to optimize supply chain management.

Overview of Segment Performance

3Q2022 Revenue Growth by Segment (y-o-y)



Segment Contribution to Revenue 3Q2021 (EGP mn)

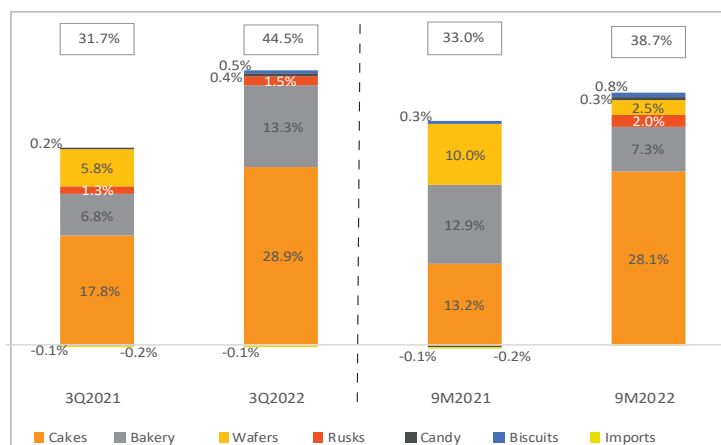


On a segment basis, Edita's consolidated top-line grew 44.5% y-o-y with revenue at the six segments benefitting from higher prices and volume. The main contributor to consolidated revenue growth was the cakes segment, which recorded a revenue of EGP 1,014.2 million in 3Q2022, up 66.1% versus 3Q2021. Growth in the cakes segment was supported by an increase of 43.9% y-o-y in packs sold coupled with a 15.4% y-o-y increase in the average price per pack. At the bakery segment, revenue grew by 35.5% y-o-y in 3Q2022 to EGP 710.0 million on the back of a 38.7% y-o-y increase in the average price per pack, which outweighed the 2.3% y-o-y decline in volumes sold. Bakery volumes are making a strong recovery back to normal levels increasing 43.0% q-o-q following sharp declines due to the migration to higher price points. Meanwhile, the wafers segment saw a marginal revenue decrease of 0.9% y-o-y as the 23.9% y-o-y drop in volumes outweighed the 30.2% y-o-y increase in average price per pack. Revenue from the rusks segment recorded EGP 97.7 million during the quarter, up 28.4% y-o-y, as average price per pack increased 50.8% y-o-y offsetting a 14.8% y-o-y drop in packs sold. Revenue in the candy segment expanded 13.1% y-o-y to EGP 44.4 million in 3Q2022, driven by a 66.8% y-o-y increase in the average price per pack. Finally, the biscuits segment saw its top-line expand by 296.1% y-o-y recording EGP 8.6 million during the quarter as volumes grew 223.9% y-o-y and average price per pack increased 22.3% y-o-y.

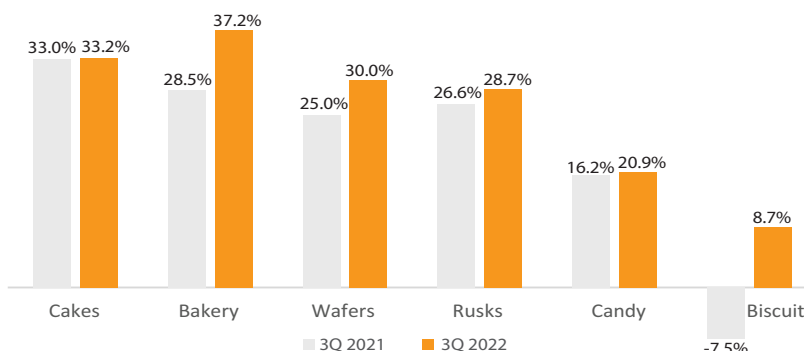




Weighted Revenue Growth Breakdown

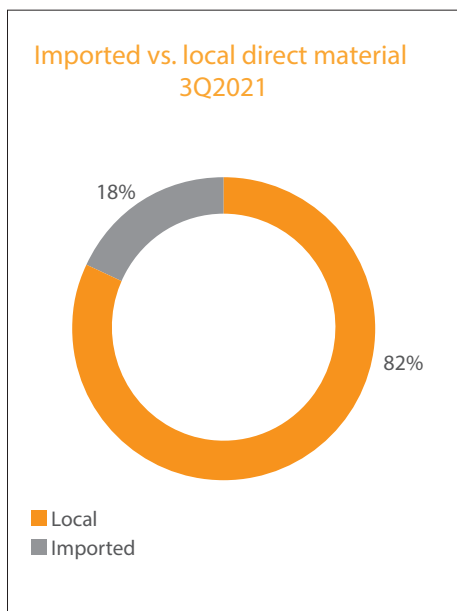
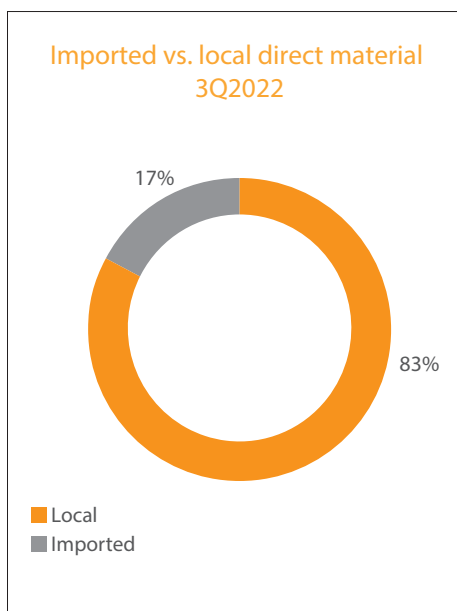


Gross Profit Margin by Product Segment



Consolidated gross profit rose 65.1% y-o-y in 3Q2022 to reach EGP 681.5 million with year-on-year gross profit growth recorded across all segments despite the persistence of inflationary pressures and supply chain disruptions. Edita managed raw material cost increases through refined pricing and portfolio optimization while MOH increases were mitigated through efficiencies due to operating leverage.

The cakes segment recorded a year-on-year gross profit growth of 67.3% in 3Q2022 with a gross profit of EGP 336.8 million and a GPM of 33.2% compared to 33.0% in 3Q2021. Edita did not impose any direct price increases in the segment and is sustaining profitability through product downsizing and product mix improvements. Meanwhile, the bakery segment saw its gross profit expand 76.9% y-o-y to reach EGP 264.5 million in 3Q2022, with a strong GPM recovery of 37.2% against the 28.5% recorded one year previously. These results were supported by direct price increases, which reflected positively on margins. Similarly, the wafers segment recorded a year-on-year gross profit growth of 19.2% in 3Q2022 with a gross profit of EGP 42.3 million and a GPM of 30.0% compared to 25.0% last year, due to the introduction of direct price increases. At the rusks segment gross profit expanded by 38.7% y-o-y to reach EGP 28.0 million for the quarter, with a GPM of 28.7% versus 26.6% in 3Q2021. Meanwhile, the candy segment posted a year-on-year gross profit growth of 45.7% in 3Q2022, with a GPM of 20.9% compared to 16.2% in 3Q2021. Finally, Edita's biscuits segment recorded a gross profit of EGP 0.8 million with a GPM of 8.7% during the quarter compared to the loss recorded last year.

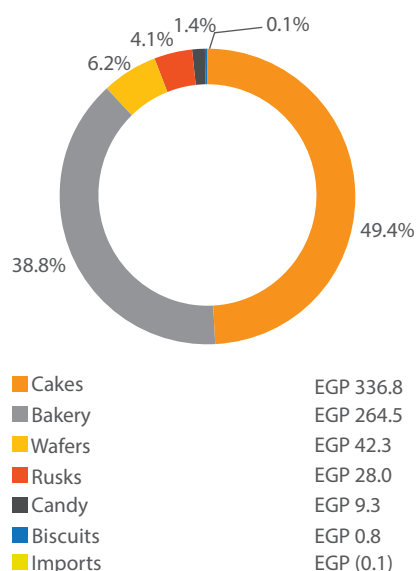




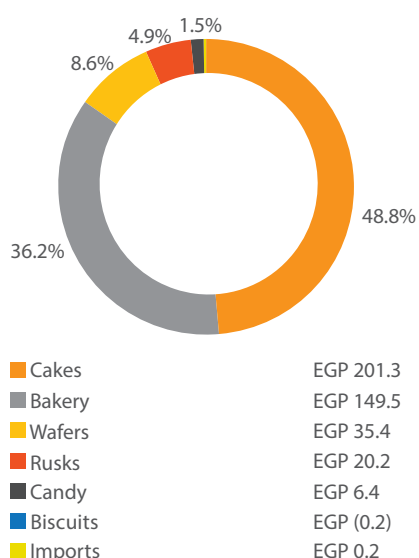
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Segment Contribution
to Gross profit 3Q2022 (EGP mn)



Segment Contribution
to Gross profit 3Q2021 (EGP mn)



Revenue and Gross Profitability by Segment

EGP mn	3Q2022	3Q2021	Change	9M2022	9M2021	Change
Cakes						
Revenue	1,014.2	610.7	66.1%	2,507.7	1,589.8	57.7%
Gross Profit	336.8	201.3	67.3%	847.3	544.2	55.7%
Gross Profit Margin	33.2%	33.0%	0.2pts	33.8%	34.2%	-0.4pts
Bakery						
Revenue	710.0	524.1	35.5%	1,677.6	1,369.8	22.5%
Gross Profit	264.5	149.5	76.9%	616.5	413.5	49.1%
Gross Profit Margin	37.2%	28.5%	8.7pts	36.7%	30.2%	6.6pts
Wafers						
Revenue	140.7	142.0	-0.9%	527.5	422.8	24.8%
Gross Profit	42.3	35.4	19.2%	178.0	118.3	50.4%
Gross Profit Margin	30.0%	25.0%	5.1pts	33.7%	28.0%	5.7pts
Rusks						
Revenue	97.7	76.0	28.4%	275.9	201.3	37.1%
Gross Profit	28.0	20.2	38.7%	81.7	56.9	43.5%
Gross Profit Margin	28.7%	26.6%	2.1pts	29.6%	28.3%	1.3pts
Candy						
Revenue	44.4	39.3	13.1%	126.8	113.4	11.8%
Gross Profit	9.3	6.4	45.7%	26.8	17.7	50.9%
Gross Profit Margin	20.9%	16.2%	4.7pts	21.1%	15.6%	5.5pts
Biscuits						
Revenue	8.6	2.2	296.1%	32.2	13.8	132.9%
Gross Profit	0.8	(0.2)	-	6.8	1.2	448.3%
Gross Profit Margin	8.7%	-7.5%	16.2pts	21.2%	9.0%	12.2pts
Total Revenues*	2,015.6	1,394.7	44.5%	5,147.7	3,711.8	38.7%
Total Gross Profit*	681.5	412.9	65.1%	1,756.8	1,152.5	52.4%
Total GPM	33.8%	29.6%	4.2pts	34.1%	31.0%	3.1pts

*Includes contributions from Edita's imports segment





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New Product Launches 2021/22



Segment Volumes and Prices

EGP mn	3Q2022	3Q2021	Change	9M2022	9M2021	Change
Cakes						
Packs (mn)	610	424	43.9%	1,532	1,102	39.0%
Tons (000s)	17.1	15.3	11.8%	45.1	41.4	8.9%
Av. Price (EGP)	1.66	1.44	15.4%	1.64	1.44	13.5%
Bakery						
Packs (mn)	212	217	-2.3%	510	582	-12.3%
Tons (000s)	12.3	12.7	-3.4%	30.1	33.9	-11.1%
Av. Price (EGP)	3.34	2.41	38.7%	3.29	2.35	39.7%
Wafers						
Packs (mn)	62	81	-23.9%	258	242	6.7%
Tons (000s)	1.5	2.3	-34.4%	6.0	6.9	-11.9%
Av. Price (EGP)	2.27	1.75	30.2%	2.04	1.75	17.0%
Rusks						
Packs (mn)	35	41	-14.8%	110	107	3.0%
Tons (000s)	1.5	1.6	-4.1%	4.6	4.3	6.2%
Av. Price (EGP)	2.83	1.87	50.8%	2.51	1.89	33.1%
Candy						
Packs (mn)	10	15	-32.2%	25	49	-48.6%
Tons (000s)	0.7	0.9	-18.2%	2.2	2.5	-12.6%
Av. Price (EGP)	4.32	2.59	66.8%	4.99	2.29	117.6%
Biscuits						
Packs (mn)	4	1	223.9%	13	7	92.3%
Tons (000s)	0.1	0.0	304.5%	0.5	0.2	191.4%
Av. Price (EGP)	2.45	2.00	22.3%	2.42	2.00	21.1%
Total Packs* (mn)	933	779	19.7%	2,449	2,089	17.2%
Total Tons* (000s)	33.3	32.8	1.4%	88.6	89.2	-0.7%
Av. Price/Pack (EGP)	2.16	1.79	20.8%	2.10	1.78	18.3%

*Includes contributions from Edita's imports segment

Balance Sheet

The company's total loans and borrowings as at 30 September 2022 stood at EGP 1,349.0 million, up from EGP 1,195.2 million as at year-end 2021. Total bank overdrafts recorded EGP 373.1 million as at 30 September 2022 down from EGP 400.7 million at year-end 2021. Cash balance stood at EGP 1.3 billion as at 30 September 2022 versus EGP 1.0 billion at year-end 2021. Edita recorded EGP 71.1 million in net debt as at 30 September 2022 compared to EGP 189.3 million in net debt at year-end 2021.

Edita's reported inventories of EGP 825.9 million as at 30 September 2022, up from EGP 526.5 million as at 31 December 2021. Meanwhile, trade receivables stood at EGP 62.9 million as at 30 September 2022, up from EGP 30.2 million as at 31 December 2021.

Total CAPEX for the period ending 30 September 2022 was EGP 300.8 million including IT, expansion, maintenance and motor vehicle expenses.





New Product Launches 2021/22



Egyptian Accounting Standards Reconciliation to IFRS

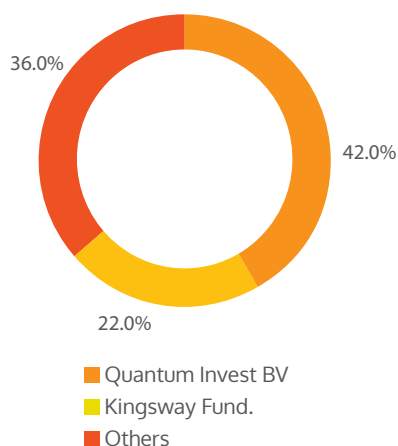
Edita's EAS and IFRS financial statements differ in the treatment of employees' profit share, which is expensed under the IFRS, while the EAS accounts for them as a distribution and are thus not included on the income statement. Also, EAS and IFRS differ in the calculation of EBITDA. In 9M2022, EGP 1.2 million in FX gain and EGP 7.8 million related to gains on the sale of fixed assets were deducted from EBITDA. Moreover, a profit share deduction of EGP 45.6 million was made, bringing total EAS to IFRS adjustments on EBITDA to EGP 54.6 million. A reconciliation between Edita's financial statements in EAS with the IFRS-based financial statements for 9M2022 is provided in the table below.

in EGP mn*	9M2022 EAS	Adjustment	9M2022 IFRS
Net Sales	5,147.7		5,147.7
COGS (excluding MOH)	2,752.3		2,752.3
MOH	517.9	(21.7)	539.6
Total	3,270.2	(21.7)	3,291.9
Gross Profit	1,778.5	21.7	1,756.8
<i>Gross Profit Margin</i>	<i>34.5%</i>		<i>34.1%</i>
Selling & Distribution Exp.	315.5	(16.8)	332.3
Advertising & Marketing Exp.	231.1		231.1
General & Admin. Exp.	291.1	(7.2)	298.3
Other Operational Exp.	62.9	1.8	61.1
Profit from Operations	877.8	43.8	834.0
<i>Profit from Operations Margin</i>	<i>17.1%</i>		<i>16.2%</i>
Lease Finance Interest	7.3	(0.7)	8.0
Profit Before Income Tax	876.9	43.7	833.2
Income Tax Expense	203.1	0.1	203.0
Net Profit After Tax	673.8	43.6	630.2
<i>Net Profit After Tax Margin</i>	<i>13.1%</i>		<i>12.2%</i>
EBITDA	1,068.7	54.6	1,014.1
<i>EBITDA Margin</i>	<i>20.8%</i>		<i>19.7%</i>

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



Shareholder Structure as of 3Q2022



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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 3Q2022, 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.

