



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 on revenues of EGP 1.6 billion in 1Q2022. EBITDA grew 64.8% Y-o-Y with an EBITDA margin of 18.8%

Cairo, 15 May 2022

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. Gross profit expanded 39.9% y-o-y to reach EGP 556.6 million with a recovered gross profit margin of 35.7% versus 34.1% last year. Net profit recorded EGP 148.1 million in 1Q2022, up an impressive 85.9% compared to the same quarter last year, with a net profit margin of 9.5%.

Edita carried over the momentum from 2021 into the first quarter of the new year to deliver impressive top-line results, profitability growth and improved margins. Strong revenue growth in 1Q2022 was driven by better pricing and higher volumes. Having pre-emptively repriced and optimized its product portfolio in 4Q2021, the company was able to navigate the inflationary environment and soaring raw material costs. Moreover, Edita's volumes for 1Q2022 recorded a 15.6% y-o-y growth in total packs sold to 769.7 million, showcasing continued demand resilience for the company's products with all segments delivering double-digit growth year-on-year in the quarter.

In 1Q2022 Edita continued to roll out innovative and differentiated products that appeal to consumer evolving tastes. The optimized portfolio coupled with refined pricing and cost efficiencies across the company led to a strong margin recovery down the income statement. Despite higher costs of raw materials and ongoing supply chain disruptions, Edita saw its gross profit, EBITDA and net profit margins expand year-on-year.

On the regional front, Edita officially inaugurated its state-of-the-art Morocco facility, which commenced operations in December 2021 with the launch of three SKUs of the HOHOs flagship brand. Edita Morocco started generating revenues in 1Q2022, recording EGP 20.5 million in its first quarter of operations. The facility marks a key milestone in Edita's regional expansion strategy. To date, Edita's initial investment reached MAD 203 million in the first phase of the facility. The company intends to make additional investments over the coming years including plans for a second phase with a budget of MAD 170 million.

Commenting on the results, Edita Chairman Eng. Hani Berzi said: "In the first quarter of the year, Edita delivered an impressive performance with double-digit year-on-year revenue and net profit growth. A remarkable achievement given the prevalent business environment, which continues to be



hindered by supply chain disruptions and record-high global commodity prices. Looking ahead, we are cognizant of the shifting macroeconomic dynamics and the challenging operating environment that ensues in light of inflationary pressures. Moreover, diversifying revenue streams in uncertain times is of utmost importance and one of Edita's key strategy pillars. Therefore, we are focused on delivering the optimal product mix, capitalizing on cross-synergies between our Egypt and Morocco facilities and expanding regionally to new markets," Berzi concluded.

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.

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

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About Edita Food Industries S.A.E.

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% of its revenue from Egypt and 5% from regional export markets. Learn more at ir.edita.com.eg.

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