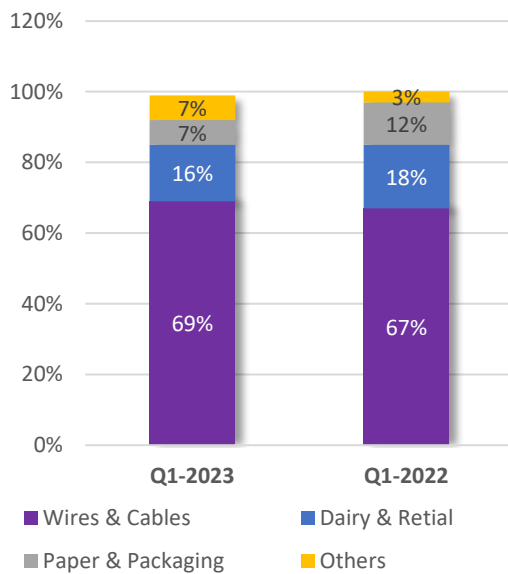


GADWA for Industrial Development Announces its Consolidated Results for the Three months ended on the 31st of March, 2023

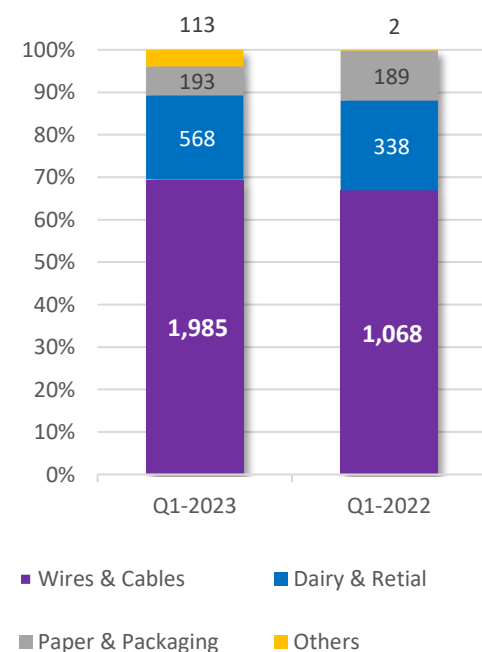
Revenue Breakdown (%)



1st of June 2023 | Cairo | Gadwa for Industrial Development (GDWA.EY on the Egyptian Exchange), a leading Industrial company, formed as a result of the horizontal split of Pioneers Holdings in October of 2021, released its consolidated financial results for the three months ended on the 31st of March 2023.

After the split, GADWA acquired all Industrial assets previously owned by Pioneers Holding Company. The company recorded a net income of EGP 214 million, and revenues of EGP 2.86 billion for the period, Q1 2023, as compared to EGP 1.6 billion of Q1 2022.

Revenue Breakdown (EGP mn)



The company's total assets for the period, Q1 2023, was EGP 9.2 billion, while shareholders' net worth was EGP 2.5 billion. This is in comparison to the EGP 2.40 of the same period last year. The company achieved a gross profit margin of 18.4% in Q1 2023, in comparison with the 15% of Q1 2022. In Q1 2023, the company recorded a net profit margin of 8% compared to Q1 2022 where net profit was 3%. The Earnings-Per-Share was EGP 0.13 in Q1 2023.

Note from the Chairman

Despite the challenges facing the industrial sector, the company managed to achieve positive business results during the first quarter of 2023. Revenues increased by 80% to reach EGP 2.86 billion compared to EGP 1.59 billion in the first quarter of 2022. Net profit amounted to EGP 214 million compared to EGP 43 million in the same period last year.

The Wires & Cables Sector contributed approximately 69% of the company's revenues during this period. Revenues of this sector reached EGP 2 billion compared to EGP 1.07 billion in the first quarter of 2022, with an increase of 85%.

Top line growth was mainly triggered by selling price increases that took place recently, due to the exchange rate fluctuations, in addition to increased production capacity. The company's management continues to work on its efficiency initiatives to reduce production costs and enhance profitability ratios.

The dairy and retail sector's sales recorded a 67% increase in revenues during the first quarter of 2023, reaching EGP 566 million compared to EGP 338 million in the first quarter of 2022. The company's management strongly supports the export sector in the current phase to provide the necessary foreign currency needed to secure our main raw materials. We increased our selling prices in both the local market and export markets to align with the significant rise in raw material prices.

The packaging sector accounted for approximately 7% of the total revenues, with revenues for this sector amounting to 193 million pounds compared to 188 million in the first quarter of 2022.

We, at GADWA, continue to closely monitor the global market, to manage our various investments in the best way possible to achieve better results in the coming period.

Key Subsidiaries Highlights

Electro Cables

(EGP '000)	Q1 2023	Q1 2022	Change (%)
Revenue	1,533	1,068	44%
Gross Profit	381	157	143%
Gross Profit Margin	25%	15%	
Operating Profit	331	112	194%
Operating Profit Margin	22%	11%	
Net Profit	202	71	183%
Net Profit Margin	13%	7%	

**Consolidated Financials*

Universal Paper & Packaging

(EGP '000)	Q1 2023	Q1 2022	Change (%)
Revenue	193	187	2%
Gross Profit	25	19	27%
Gross Profit Margin	13%	10%	
EBIT	18	15	19%
Operating Profit Margin	9%	8%	
Net Profit	8	8	4%
Net Profit Margin	4%	4%	

Arab Dairy

(EGP '000)	Q1 2023	Q1 2022	Change (%)
Revenue	471	293	61%
Gross Profit	107	54	97%
Gross Profit Margin	23%	18%	
EBIT	61	20	207%
Operating Profit Margin	13%	7%	
Net Profit	22	3	594%
Net Profit Margin	5%	1%	

**Consolidated Financials*

About GADWA

Gadwa is a leading industrial development and investment company that boasts holdings in the industrial sector, particularly high growth-potential consumer-related businesses, and defensive business models.

As a market leader in the industrial development sector, Gadwa has four primary pillars that each dominate within their respective sectors, locally and internationally.

Investor Relations Contacts

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