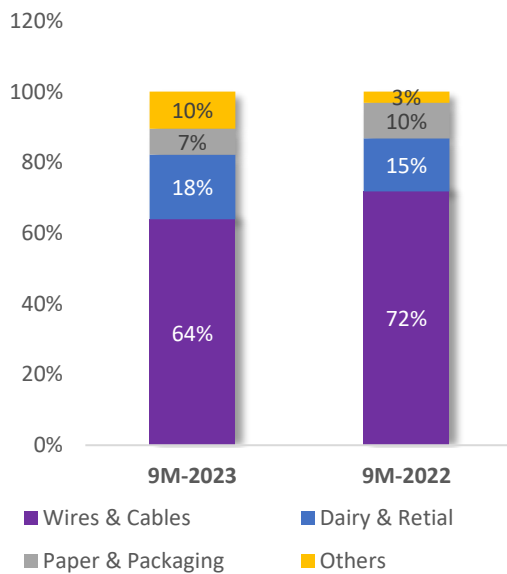
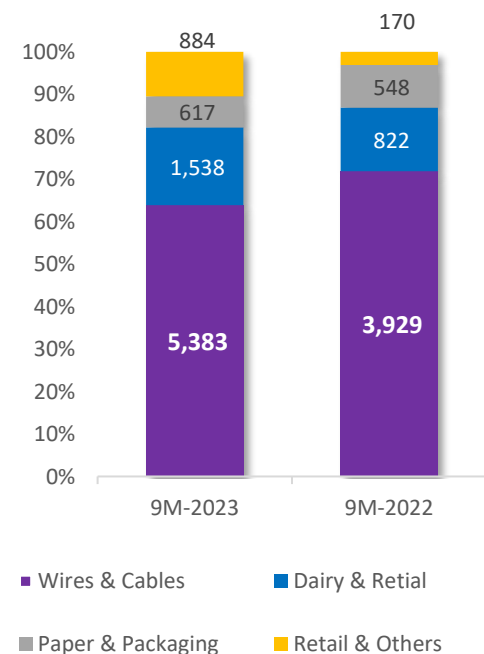


## GADWA for Industrial Development Announces its Consolidated Results for the period ended on the 30<sup>th</sup> of September, 2023

### Revenue Breakdown (%)



### Revenue Breakdown (EGP Mn)



**November 21, 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 30<sup>th</sup> of September 2023.

After the split, GADWA acquired all Industrial assets previously owned by Pioneers Holding Company. The company recorded a net income of EGP 1.035 billion, and revenues of EGP 8.42 billion during 9M of 2023, as compared to EGP 5.5 billion of 9M 2022.

The company's total assets for the period, 9M 2023, was EGP 12.07 billion, while shareholders' net worth was EGP 3.33 billion. This is in comparison to EGP 2.40 billion in 9M 2022. The company achieved a gross profit margin of 28% in 9M 2023, in comparison with 17% during 9M 2022. In 9M 2023, the company recorded a net profit margin of 12% compared to 4% during the same period last year. The Earnings-Per-Share was EGP 0.70 in 9M 2023.

### Note from the Chairman

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Despite numerous challenges facing the industrial sector, the company remained resilient and achieved positive results during 9M 2023. This resilience is attributed to the company's adaptability in navigating these challenges, its dedication to providing high-quality products, and its focus on improving operational efficiency.

Gadwa's revenue grew by an impressive 54% in 9M 2023, reaching EGP 8.42 billion compared to EGP 5.47 billion in the same period of 2022. Net profit amounted to EGP 1.04 billion, compared to EGP 232 million during the same period of the previous year.

The Wires and Cables sector remained the company's largest contributor, generating 64% of total revenues during the period. Revenue reached EGP 5.3 billion, up 37% from EGP 3.9 billion during 9M 2022. This growth was supported by price increases implemented earlier in the year and market expansion with new products.

The dairy and retail products sector recorded a significant revenue increase of 92% in the first nine months of 2023, amounting to EGP 1.9 billion compared to EGP 987 million during the same period of 2022. This growth was driven by price increases implemented during the previous period and the company's strategic initiatives, including the addition of new sales channels and increased export sales.

The packaging sector contributed approximately 7% to Gadwa's total revenues, reaching EGP 617 million compared to EGP 548 million in the first nine months 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)	9M-2023	9M-2022	Change (%)	Q3-2023	Q3-2022	Change (%)
<b>Revenue</b>	<b>5,893,901</b>	<b>3,928,624</b>	50%	<b>2,325,412</b>	<b>1,616,680</b>	44%
<b>Gross Profit</b>	<b>1,812,566</b>	<b>653,888</b>	177%	<b>797,514</b>	<b>253,806</b>	214%
<b>Gross Profit Margin</b>	31%	17%		34%	16%	
<b>Operating Profit</b>	<b>1,642,295</b>	<b>498,505</b>	229%	<b>734,649</b>	<b>195,811</b>	275%
<b>Operating Profit Margin</b>	28%	13%		32%	12%	
<b>Net Profit</b>	<b>955,411</b>	<b>263,257</b>	263%	<b>416,224</b>	<b>72,714</b>	472%
<b>Net Profit Margin</b>	16%	7%		18%	4%	

*\*Consolidated Financials*

During 9M 2023, the company revenues increased by 50% to reach EGP 5.9 billion, from EGP 3.9 billion in the same period of 2022. The gross profit margin increased by 14 percentage points to 31% in 2023, from 17% in 2022. This resulted in a net profit of EGP 955 million in 9M 2023.

Universal Paper & Packaging

(EGP '000)	9M-2023	9M-2022	Change (%)	Q3-2023	Q3-2022	Change (%)
Revenue	617,241	547,852	13%	230,025	151,813	52%
Gross Profit	76,073	63,992	19%	28,183	13,285	112%
Gross Profit Margin	12%	12%		12%	9%	
Operating Profit	58,461	48,856	20%	22,763	10,205	123%
Operating Profit Margin	9%	9%		10%	7%	
Net Profit	20,894	24,843	-16%	8,140	4,184	95%
Net Profit Margin	3%	5%		4%	3%	

In the first nine months of 2023, the company's revenue reached EGP 617 million, a 13% Increase from EGP 547 million in the same period of 2022. The company recorded a gross profit margin of 12%, and net profit of EGP 20 million in 9M 2023.

Arab Dairy

(EGP '000)	9M-2023	9M-2022	Change (%)	Q3-2023	Q3-2022	Change (%)
Revenue	1,537,569	821,535	87%	637,924	267,044	139%
Gross Profit	358,544	189,676	89%	137,133	61,096	124%
Gross Profit Margin	23%	23%		21%	23%	
EBIT (Operating profit)	206,700	87,664	136%	73,039	26,270	178%
Operating Profit Margin	13%	11%		11%	10%	
Net Profit	92,915	24,388	281%	42,305	4,232	900%
Net Profit Margin	6%	3%		7%	2%	

\*Consolidated Financials

The company's revenue for the nine-month period increased by 87% to reach EGP 1.54 billion, from EGP 821 million in 9M 2022. In addition, the operating profit margin increased by 2 percentage points to 13% in 9M2023, from 11% in 9M 2022. The company recorded a net profit of EGP 92 million in 9M 2023, a staggering increase of 281% as compared to 9M 2022.

### **About GADWA**

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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.

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