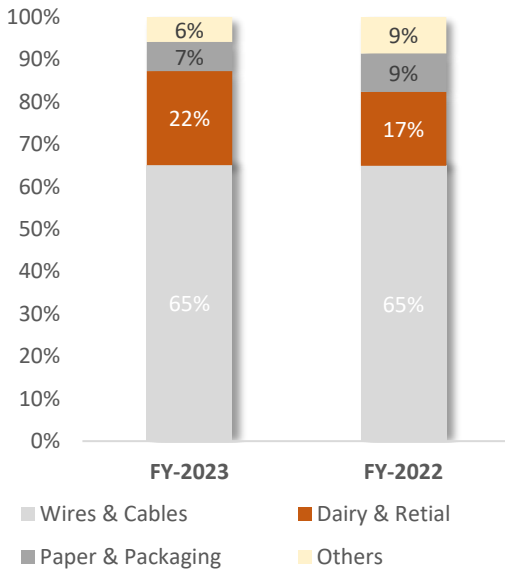


GADWA for Industrial Development Announces its Consolidated Results for the period ended on the 31th of December, 2023

The company achieved tremendous net profits after minorities that reached 1 billion compared to 186 million in 2022 with an increase of 438%

Revenue Breakdown (%)



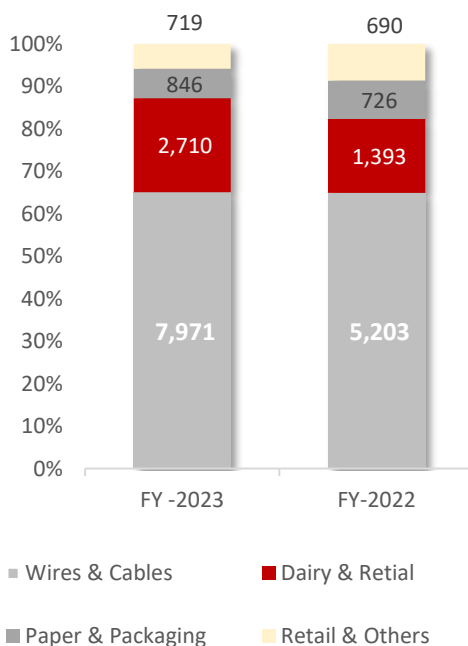
4th of March, 2024 | Cairo | Gadwa for Industrial Development (GDWA.EY on the Egyptian Exchange), a leading Industrial company, formed as a result of the horizontal split of Pioneers Holdings in October of 2021, released its consolidated financial results for the three months ended on the 31th of December 2023.

After the split, GADWA acquired all Industrial assets previously owned by Pioneers Holding Company. The company recorded a net income before minorities of EGP 1.46 billion compared to 354 million in 2022 with an increase of 312%, and revenues of EGP 12.25 billion during FY 2023, as compared to EGP 8.01 billion of FY 2022 with an increase of 53%.

The company's total assets for the period, FY 2023, was EGP 13.03 billion compared to 8 billion in 2022, while shareholders' net worth was EGP 3.79 billion up from 2.4 billion last year. This is in comparison to EGP 2.40 billion in FY 2022.

The company achieved a gross profit margin of 27% in FY 2023, in comparison with 19% during FY 2022. In FY 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 0.95 in FY 2023 compared to 0.18 in 2022.

Revenue Breakdown (EGP Mn)



Note from the Chairman

Gadwa For Industrial Development delivered exceptional performance during 2023 despite the ongoing challenges that still faces the industrial sector due to the slowdown in global economic activity and the rise in the prices of raw materials and the increase in the cost of finance. Revenues escalated by 53% to record 12.24 billion in December 31, 2023, compared to 8.01 billion in 2022. Net profit before minority interests amounted to 1.46 billion during 2023 compared to 354 million in 2022 achieving a tremendous increase of 312%, while net profits after minorities amounted to 1 billion compared to 186 million last year recording an increase of 438%, the company increased its stake in couple of subsidiaries during 2023 which supported the increase of net profits after minorities in 2023.

The Wires and cables sector accounted for approximately 65% of the company's revenues, generating total revenues of EGP 7.97 billion, compared to EGP 5.2 billion during the same period last year, with an increase of 53%. The sales growth was driven by price increases the management imposed during the year across a variety of products in response to rising raw materials costs, which positively affected its profitability. Its worth to mention that the electrical contracting segment recorded a backlog worth of 5 billion by end of 2023.

In line with the Government's strategy to support the industrial sector, the company invested in a new production line to produce pre-paid meters and production process started in the fourth quarter of 2023. In addition, the R&D department in the company is working on developing a group of new products to meet the needs of its customers and increase its competitiveness in the Egyptian market.

The dairy products and retail sector recorded a 95% increase in revenues on December 31, 2023, reaching EGP 2.71 billion compared to EGP 1.39 billion in the same period last year. The restructuring of the sales segment and adding new sales channels helped the company to reduce its distribution cost and furthermore helped to attract new customers which supported the company's sales growth that took place in 2023. The management increased the selling prices of all the products to match the increase that took place in the raw material prices.

The production volume increased by approximately 30% during 2023, which had a positive impact on reducing the cost of production and enhancing the overall profitability. The export sector accounted for approximately 44% of Arab Dairy's total sales, the company is the second largest exporter in the dairy products segment in Egypt. On a related note, our newest subsidiary Egyptian integrated for food manufacturing completed its first year of operations and generated a net profit amounted to 90 million.

On the other hand, the packaging sector, led by Universal Unipack, contributed 7% of Gadwa's total revenues during 2023, reaching EGP 846 million compared to EGP 726 million, with an increase of 16.5%.

Unipack has a diversified customer base, as the company's business is linked to various industries such as food, beverages, chemicals, and others. During 2023, Unipack acquired a new factory in Sadat City to increase its production capacity for cardboard manufacturing and to expand the production of cardboard products with higher profit margins.

Gadwa Company's management remains vigilant in monitoring global developments to optimize the returns from its diverse investments and achieve superior outcomes in the future. The company will always strive to maintain the quality of the products it offers to the Egyptian consumer.

Key Subsidiaries Highlights

Electro Cables

(EGP '000)	FY-2023	FY-2022	Change (%)	Q4-2023	Q4-2022	Change (%)
Revenue	8,673,361	5,699,231	52%	2,779,460	1,770,608	57%
Gross Profit	2,531,980	1,071,123	136%	719,414	417,235	72%
<i>Gross Profit Margin</i>	29%	19%		26%	24%	
Operating Profit	2,281,390	857,200	166%	639,095	358,695	78%
<i>Operating Profit Margin</i>	26%	15%		23%	20%	
Net Profit	1,248,003	542,248	130%	292,592	278,991	5%
<i>Net Profit Margin</i>	14%	10%		11%	16%	

**Consolidated Financials*

The Company had tremendous top-line growth at the end of ٢٠٢٣, with revenues reaching EGP^ .7 billion up 52% y-o-y from EGP 5.6 billion in FY 2022. The gross profit margin increased by 10 percentage points to 29% in 2023, from 19% in 2022. This resulted in a net profit of EGP 1.3 billion in FY 2023.

Universal Paper & Packaging

(EGP '000)	FY-2023	FY-2022	Change (%)	Q4-2023	Q4-2022	Change (%)
Revenue	846,126	726,423	16%	228,885	178,571	28%
Gross Profit	114,401	84,576	35%	38,328	20,584	86%
Gross Profit Margin	14%	12%		17%	12%	
EBIT (Operating Profit)	90,584	56,599	60%	32,123	7,743	315%
Operating Profit Margin	11%	8%		14%	4%	
Net Profit	33,108	24,920	33%	12,215	76	15951%
Net Profit Margin	4%	3%		5%	0%	

**Consolidated Financials*

At the end of 2023, the company's revenue reached EGP 846 million, a 16% Increase from EGP 726 million in the same period of 2022. The company recorded a gross profit margin of 14%, the company demonstrated a decent net profit of 33 million in FY 2023.

Arab Dairy

(EGP '000)	FY-2023	FY-2022	Change (%)	Q4-2023	Q4-2022	Change (%)
Revenue	2,182,120	1,155,499	89%	644,551	333,965	93%
Gross Profit	506,293	264,352	92%	147,750	74,676	98%
Gross Profit Margin	23%	23%		23%	22%	
EBIT (Operating profit)	271,067	118,987	128%	64,367	31,474	105%
Operating Profit Margin	12%	10%		10%	9%	
Net Profit	122,534	31,234	292%	29,619	6,846	333%
Net Profit Margin	6%	3%		5%	2%	

**Consolidated Financials*

The company's revenue recorded EGP 2.2 billion in FY 2023, Up by 89% y-o-y from EGP 1.2 billion in same period of the previous year. In addition, the operating profit margin increased by 2 percentage points to 12% FY 2023, from 10% FY 2022. The company recorded a net profit of EGP 122 million in FY 2023, a staggering increase of 292% as compared to the same period of the previous year.

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:

Mohamed Ebaid

Head Of Investor Relations

Yara Hesham

Investor Relations Analyst