

1Q2021 Earnings Release

Cairo, Egypt 10 May 2021

Edita Food Industries Reports 1Q2021 Earnings

Edita reported strong top- and bottom-line growth in 1Q2021 with revenues rising 21.0% y-o-y to EGP 1.2 billion, and net profit expanding 25.3% y-o-y to record EGP 80.7 million

Highlights for 1Q2021

Revenues

EGP 1,166.3 mn

▲ 21.0% y-o-y

Gross Profit

EGP 397.9 mn

▲ 18.6% y-o-y

EBITDA

EGP 179.0 mn

▲ 25.8% y-o-y

Net Profit

EGP 80.7 mn

▲ 25.3% y-o-y

Cairo, 10 May 2021

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 2021, recording revenues of EGP 1,166.3 million, up a solid 21.0% from the first quarter of last year. Net profit recorded EGP 80.7 million in 1Q2021, up 25.3% y-o-y with a net profit margin of 6.9%.

Edita's strong results for the first quarter of the year were both price and volume-driven, with the company continuing the recovery recorded in the tail end of 2020 as Covid-19-related restrictions were eased. Throughout the quarter, the company witnessed a widespread recovery in consumption as economic activity continued to normalise coupled with rising demand for Edita's products. As such, total packs sold grew 4.7% y-o-y to 665.9 million packs in 1Q2021. In parallel, average price per pack continued to increase in line with the company's portfolio optimization strategy which aims to migrate customers to higher price points. In 1Q2021, average price per pack reached EGP 1.75, up 15.6% y-o-y from the first quarter of last year.

On a segment basis, Edita's consolidated top-line was supported by its bakery, wafers and cakes segments, all of which recorded remarkable year-on-year growth for the quarter.

Edita's gross profit recorded EGP 397.9 million in 1Q2021, up 18.6% from last year supported by strong top-line growth. Gross profit margin stood at 34.1% in 1Q2021, largely in line with the 34.8% margin recorded in the first quarter of last year. The relatively stable gross profit margin comes despite the general rise in commodity prices and its consequent impact on Edita's cost base, with cost of direct materials increasing 26.6% y-o-y in 1Q2021. This was, however, largely offset by savings on manufacturing overheads on the back of cost cutting initiatives and higher utilization rates throughout the quarter.

Total SG&A recorded EGP 256.0 million in 1Q2021, up 4.4% versus last year, as the company continued to maintain a tight rein on its advertising and marketing (A&M) expenses. This saw SG&A outlays as a percentage of sales decrease to 22.0% in 1Q2021 from 25.4% in the first quarter of last

year. Subsequently, EBITDA for the quarter recorded EGP 179.0 million, up 25.8% y-o-y and with an EBITDA margin of 15.3% compared to 14.8% in 1Q2020.

Net profit stood at EGP 80.7 million in 1Q2021, up 25.3% y-o-y, supported by strong top-line growth for the quarter. Net profit margin for the quarter recorded 6.9%.

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RESULTS CALL INVITATION

18 May 2021 @ 14:00 hrs CLT (13:00 hrs BST)

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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, Fres-ka, Oniro and MiMix. The Company also has the exclusive ownership of the international HTT 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 HTT brands across its territories. The Company holds strong number-one market positions in its core cake and bakery segments as well as in candy, a number-two market position in rusks and a growing market position in the wafers segment. In 1Q2021, the Company derived 96.2% of its revenue from Egypt and 3.8% 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.

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