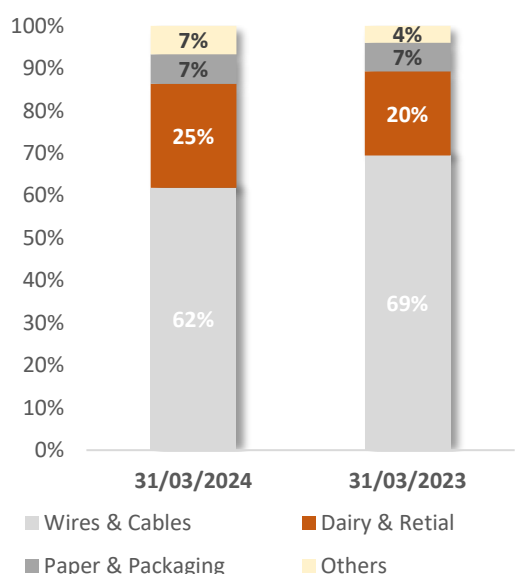


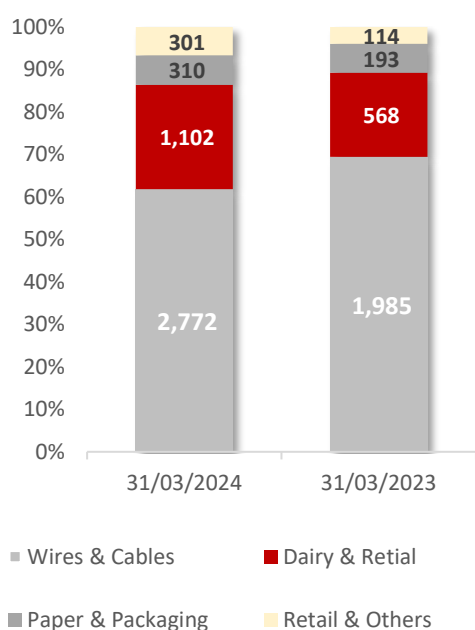
GADWA for Industrial Development Announces its Consolidated Results for the period ended on the 31st of March, 2024

The company achieved tremendous net that reached 617 million compared to 214 million in Q1 2023

Revenue Breakdown (%)



Revenue Breakdown (EGP Mn)



10th of June, 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 31st of March 2024.

After the split, GADWA acquired all Industrial assets previously owned by Pioneers Holding Company. The company recorded a net income before minorities of EGP 617 million compared to 214 million in 2023 with an increase of 188%, and revenues of EGP 4.5 billion during the period as compared to EGP 2.9 billion of same period 2023 with an increase of 57%.

The company's total assets for the period ended on the 31st of March 2024, were EGP 15.2 billion compared to 13 billion at the end of 2023 with an increase of 17%, while shareholders' net worth was EGP 4.1 billion up from 3.8 billion last year.

The company recorded a net profit margin in the period ended on the 31st of March, 2024 of 14% compared to 8% during the same period last year. The Earnings-Per-Share were EGP 0.4 in Q1 2024 compared to 0.13 in 2023.

Note from the Chairman

I am delighted to share with you the successes and achievements our company has made during the first quarter of 2024. We have achieved strong financial results that have reinforced our position as one of the leaders in the industrial sector in the Egyptian market, despite the economic fluctuations and challenges arising from the devaluation of the currency and the increase in financing costs, which have negatively impacted the entire industrial sector.

Due to our prudent strategies and well-executed plans, we have managed to enhance our production and achieve unprecedented results. We have concentrated on enhancing the efficiency of our operations, reducing costs, increasing the utilization of our production capacity, and developing new products that better meet market needs.

The company achieved significant revenue growth of 57%, reaching EGP 4.5 billion, and a net profit of EGP 617 million, reflecting a massive growth rate of 188% in the first quarter of 2024. It is worth noting that the growth in the revenues across our subsidiaries was mainly triggered by higher capacity utilization.

However, these achievements were not limited to the company as a whole; each of our main sectors has seen significant progress.

The cable manufacturing sector, one of the largest sectors in which the company operates, contributed 62% of Gadwa's revenues, amounting to EGP 2.8 billion, with a growth rate of 40% compared to the first quarter of 2023. The company continues to support its meter manufacturing sector, which began operations in the fourth quarter of 2023, and is striving to increase productivity in this sector in the coming period, which will enhance the profitability margins moving forward.

The cable group's management is always focused on reducing production costs to support the company's profitability, continuously developing high-quality products to meet the diverse needs of our customers, increasing its competitiveness in the Egyptian market, and penetrating new global markets.

The dairy and retail sector also achieved remarkable growth of 94%, generating revenues of EGP 1.1 billion, which represents 25% of the company's total revenues. This growth is particularly evident in Arab Dairy, which changed its sales strategy to reach more points of

sale and adjusted its production strategy to focus on products with higher profit margins and increasing market demand. This has helped to raise awareness of our brands. Additionally, we have continued to focus on our export products to secure a significant portion of the foreign currency needed to purchase the main production raw materials.

Packaging Sector Led by Universal Unipack, this sector contributed approximately 7% of Gadwa Group's total revenues, reaching EGP 310 million, reflecting a 61% increase. Unipack boasts a diverse customer base, with its activities linked to various industries such as food and beverage and others. The company is currently implementing a production strategy focused on expanding the production of certain high-margin carton products.

Gadwa's management team continues to closely monitor global developments to maximize the return on our diverse investments and achieve the best possible results. We look to the future with confidence, believing that Gadwa Group possesses all the necessary qualities to continue its success and achieve even greater milestones. We remain committed to ongoing investment in development and expansion, ensuring Gadwa Group continued leadership role in the industrial sector.

Key Subsidiaries Financial Highlights

Electro Cables

(EGP '000)	Q1 2024	Q1 2023	Change (%)
Revenue	3,072,423,719	1,533,221,382	100%
Gross Profit	1,027,581,197	380,723,780	170%
Gross Profit Margin	33%	25%	
Operating Profit	942,731,880	331,119,777	185%
Operating Profit Margin	31%	22%	
Net Profit	535,328,517	202,171,117	165%
Net Profit Margin	17%	13%	

**Consolidated Financials*

Revenues: increased by 100% to reach EGP 3 billion compared to EGP 1.5 billion for the same period in 2023.

Gross Profit: Increased by 170% to reach EGP 1 billion compared to EGP 380 million for the same period in 2023, achieving a gross profit margin of 33% versus 25% in the same period of 2023.

Operating Profit: Increased by 185% to reach EGP 943 million compared to EGP 331 million for the same period in 2023, achieving an operating profit margin of 31% versus 22% in the same period of 2023.

Net Profit: Increased by 165% to reach EGP 535 million compared to EGP 202 million for the same period in 2023, achieving a net profit margin of 17% versus 13% in the same period of 2023.

Universal Paper & Packaging

(EGP '000)	Q1 2024	Q1 2023	Change (%)
Revenue	310,346,042	192,949,168	61%
Gross Profit	56,880,993	24,532,251	132%
Gross Profit Margin	18%	13%	
Operating Profit	50,174,747	17,583,763	185%
Operating Profit Margin	16%	9%	
Net Profit	20,611,541	8,109,461	154%
Net Profit Margin	7%	4%	

**Consolidated Financials*

Revenue: Increased by 61% to reach EGP 310 million compared to EGP 193 million for the same period in 2023.

Gross Profit: Increased by 132% to reach EGP 57 million compared to EGP 24 million for the same period in 2023, achieving a gross profit margin of 18% versus 13% in the same period of 2023.

Operating Profit: Increased by 185% to reach EGP 50 million compared to EGP 18 million for the same period in 2023, achieving an operating profit margin of 16% versus 9% in the same period of 2023.

Net Profit: increased by 154% to reach EGP 21 million compared to EGP 8 million for the same period in 2023, achieving a net profit margin of 7% versus 4% in the same period of 2023.

Arab Dairy

(EGP '000)	Q1 2024	Q1 2023	Change (%)
Revenue	917,404,917	470,959,293	95%
Gross Profit	240,074,540	106,550,307	125%
Gross Profit Margin	26%	23%	
Operating Profit	132,549,193	62,460,168	112%
Operating Profit Margin	14%	13%	
Net Profit	64,869,066	22,111,556	193%
Net Profit Margin	7%	5%	

**Consolidated Financials*

Revenue: Increased by 95% to reach EGP 917 million compared to EGP 471 million for the same period in 2023.

Gross Profit: Increased by 125% to reach EGP 240 million compared to EGP 107 million for the same period in 2023, achieving a gross profit margin of 26% versus 23% in the same period of 2023.

Operating Profit: Increased by 112% to reach EGP 133 million compared to EGP 62 million for the same period in 2023, achieving an operating profit margin of 14% versus 13% in the same period of 2023.

Net Profit: Increased by 193% to reach EGP 65 million compared to EGP 22 million for the same period in 2023, achieving a net profit margin of 7% versus 5% in the same period of 2023.

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.

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