

ELSEWEDY ELECTRIC Reports 9M 2021 Results; Sustained Growth Momentum Across Core Segments

9M 2021 Consolidated Financial Highlights

Revenues	Gross Profit	EBITDA	Net Profit after Minority
EGP 40,886.9 million ▲ 30% y-o-y	EGP 5,515.3 million ▲ 28% y-o-y	EGP 4,239.5 million ▲ 32% y-o-y	EGP 2,293.5 million ▲ 32% y-o-y

ELSEWEDY ELECTRIC (SWDY.CA on the Egyptian stock exchange), the leading Wires & Cables and Integrated Energy Solution Provider in the Middle East and Africa, announces its consolidated financial results for the nine-month period ending 30 September 2021, reporting revenues of EGP 40,886.9 million, up by 30% year-on-year (y-o-y). The company's net profit after minority interest recorded EGP 2,293.5 million, up by 32.4% y-o-y and representing a net profit margin of 5.6%.

Summary Income Statement

EGP (000)'s	Q3-2021	Q3-2020	% Change	9M-2021	9M-2020	% Change
Revenue	14,874,406	11,351,663	31.0%	40,886,903	31,470,004	29.9%
Gross Profit	1,710,750	2,001,367	-14.5%	5,515,252	4,301,741	28.2%
Gross Profit Margin	11.5%	17.6%		13.5%	13.7%	
EBITDA	1,312,314	1,597,448	-17.8%	4,239,474	3,220,873	31.6%
EBITDA Margin	8.8%	14.1%		10.4%	10.2%	
Net Income After Minority	703,857	817,509	-13.9%	2,293,451	1,731,753	32.4%
Net Income After Minority Margin	4.7%	7.2%		5.6%	5.5%	

Financial Highlights

- **Revenues** grew by 29.9% y-o-y to EGP 40,886.9 million in 9M 2021 on the back of the strong performance of Elsewedy's cables segment and the solid growth in turnkey projects.
- **Gross Profit** increased by 28.2% y-o-y to reach EGP 5,515.3 million in 9M 2021, with a gross profit margin remaining largely stable at 13.5% versus the 13.7% recorded in 9M 2020.
- **SG&A** expenses increased by 13.1% y-o-y, coming in at EGP 2,322.3 million in the first nine months of 2021 against the EGP 2,052.9 million recorded in 9M 2020. As a percentage of revenues, SG&A recorded 5.7% in 9M 2021 compared to 6.5% registered in the same period last year.
- **EBITDA** increased by 31.6% y-o-y to EGP 4,239.5 million in 9M 2021, while the EBITDA margin was 10.4% compared to the 10.2% one year previously.
- **Net Income after Minority Interest** grew 32.4% y-o-y to EGP 2,293.5 million in 9M 2021, up from the net income of EGP 1,731.8 million posted in 9M 2020. Elsewedy's net profit margin came in at 5.6% in 9M 2021 against 5.5% in the previous year.
- Elsewedy reported a **net debt** position of EGP 5,940 million as at 30 September 2021 compared to a net cash position of EGP 562.5 million booked at 31 December 2020.
- **Inventory** came in at EGP 11,315.3 million as at 30 September 2021, up by 51% from the EGP 7,490.7 million booked at the end of 2020. **Accounts receivable** booked EGP 13,695 million as at 30 September 2021, while **accounts payable** rose by 18.4% between year-end 2020 and 30 September 2021, to reach EGP 6,787.6 million.

Note from Our CEO

As we draw closer to the end of 2021, management at Elsewedy Electric is encouraged by the solid performance we have delivered across our business lines. El Sewedy's third quarter sales strongly increased due to the growth at the company's cables and electrical products segments, continuing the growth momentum we've seen since the start of 2021. Overall, our nine-month revenues are up 30%, with our year-to-date profitability maintained despite global supply-chain disruptions and the strong rally in commodity prices. Elsewedy's net profit attained a record high of EGP 2.3 billion in 9M 2021, up 32.4% and yielding a stable margin of 5.6%.

Elsewedy continues to make headway on its regional expansion. We have successfully consolidated our two recent acquisitions of Indonesia's CG Power System and Pakistan's Valdius Engineering Ltd, bringing our global transformers manufacturing capacity to some 30,000 MVA per year. Meanwhile in Tanzania, the Julius Nyerere Hydropower mega project continues to advance according to plan. On the domestic front, Elsewedy's backlog of turnkey projects in Egypt grew to EGP 57 billion in 9M 2021, a 17.5% increase from 9M 2020. At the meters segment, Elsewedy's backlog saw a significant increase of 48.6% y-o-y, recording EUR 110 million, while our transformers backlog climbed by 127% to reach USD 133 million.

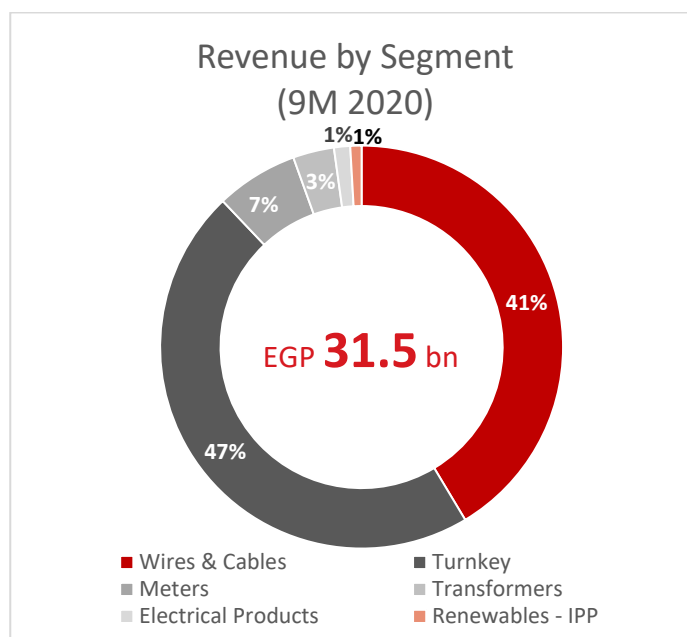
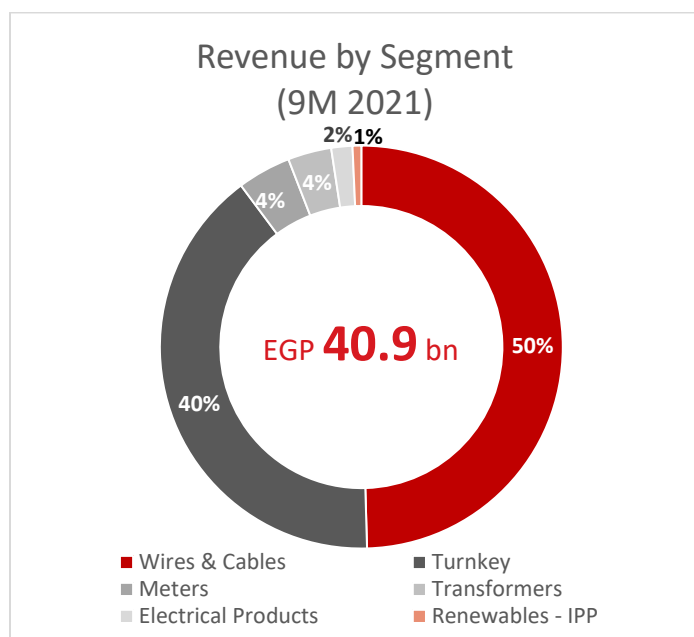
At Elsewedy, we value the close relationships we've built with our stakeholders. As a leading sustainable energy solutions provider, we continue to develop our governance and compliance functions and soon we will be issuing regular ESG reports. Overall, management is optimistic about Elsewedy's growth prospects and its ability to sustain strong performance by providing innovative solutions and creating sustainable value for shareholders.

Ahmed El Sewedy

Revenue Analysis by Segment

Elsewedy's wires and cables segment contributed 49.6% to the company's consolidated revenues for 9M 2021, up from 41.7% for the same period in 2020, remaining Elsewedy's largest top-line contributor. Turnkey projects brought in 40.3% of total revenues in 9M 2021, down from the contribution of 46.9% recorded in 9M 2020 and reflecting the solid year-on-year growth in the wires and cables segment. Elsewedy's meters segment witnessed a 2.3 percentage point drop in its revenue contribution to record 4.3% in 9M 2021, whilst the transformers segment reported a contribution of 3.5% in 9M 2021, up by 0.4 percentage points from the previous year. Other electrical products recorded a contribution of 1.7% to Elsewedy's consolidated top line in 9M 2021, while the renewables segment generated 0.7% of consolidated revenues for the period, down by 0.2 percentage points from 9M 2020.

Revenue from Elsewedy's wires and cables segment grew 55.7% y-o-y to EGP 20,264.7 million in the first nine months of 2021. Simultaneously, revenue from Elsewedy's turnkey projects increased by 12.5% y-o-y to record EGP 16,459.7 million in 9M 2021 versus EGP 14,626.8 million in 9M 2020. Revenue from the meters segment declined by 15.2% y-o-y to EGP 1,758 million, while the transformers segment grew by 35.9% y-o-y to reach EGP 1,431.1 million in 9M 2021. Other electrical products witnessed a considerable hike in revenues of 65.5% y-o-y, registering EGP 700.7 million in 9M 2021 as compared to EGP 423.3 million in the same period last year. Revenues from Elsewedy's renewables segment came in at EGP 272.7 million, a 2.9% drop from the EGP 280.9 million recorded in 9M 2020.

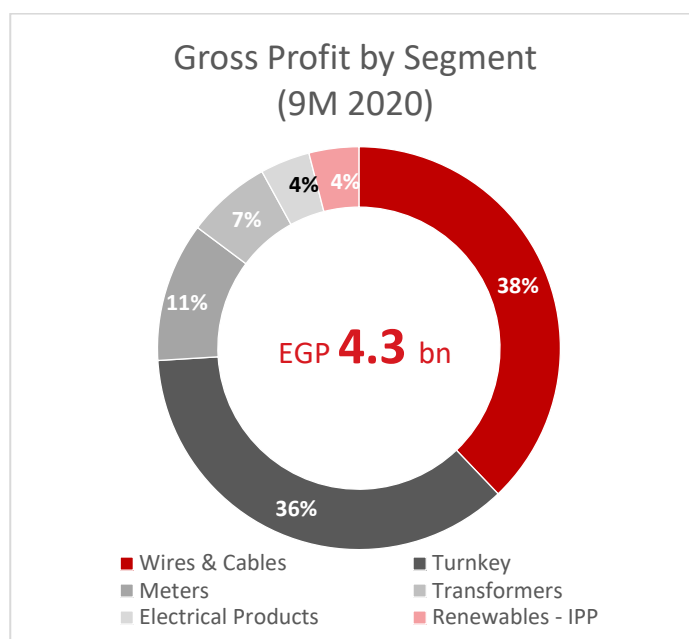
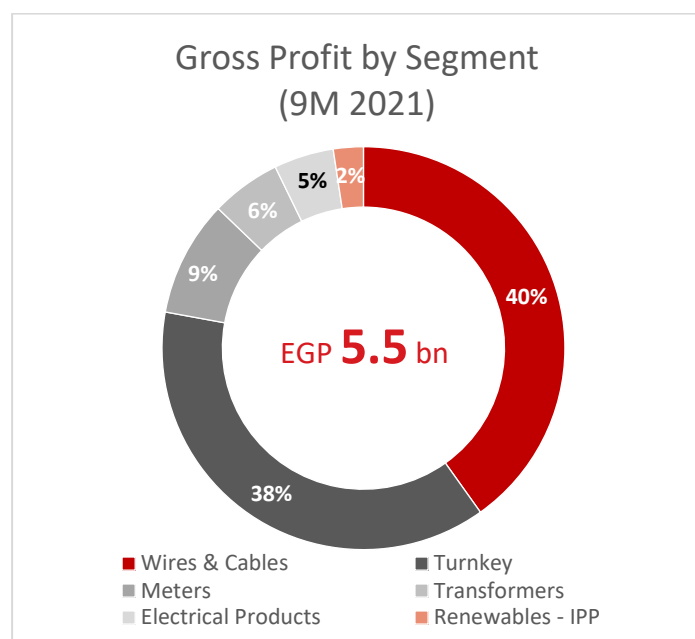


Summary of Revenues by Segment

EGP (000)'s	Q3-2021	Q3-2020	% Change	9M-2021	9M-2020	% Change
Wires & Cables	7,440,382	4,745,542	56.8%	20,264,667	13,012,915	55.7%
Turnkey Projects	5,907,045	5,190,556	13.8%	16,459,715	14,626,815	12.5%
Meters	470,801	677,916	-30.6%	1,758,036	2,072,892	-15.2%
Transformers	628,441	463,693	35.5%	1,431,085	1,053,124	35.9%
Electrical Products	336,121	171,429	96.1%	700,659	423,309	65.5%
Renewables – IPP	91,616	102,528	-10.6%	272,740	280,949	-2.9%
Total	14,874,406	11,351,663	31.0%	40,886,903	31,470,004	29.9%

Gross Profit Analysis by Segment

Consolidated gross profit for the first nine months of 2021 was EGP 5,515.3 million, an increase of 28.2% y-o-y from EGP 4,301.7 million recorded for 9M 2020. The wires and cables segment was the largest contributor to Elsewedy's gross profit in 9M 2021 at 40.1% (9M 2020: 37.9%) with a gross profit of EGP 2,211.4 million, up by 35.7% y-o-y from the EGP 1,630 million in 9M 2020. The turnkey project segment's gross profit came in at EGP 2,077.9 million, up from 33.3% from EGP 1,559.2 million registered in 9M 2020 and delivering 37.7% of Elsewedy's consolidated gross profit against 36.2% reported in the previous year. The meters segment generated a gross profit of EGP 513.6 million in 9M 2021, up by 6.2% y-o-y, with its contribution shrinking to 9.3% for 9M 2021 versus 11.2% one year previously. The transformers segment booked a gross profit of EGP 311.3 million in 9M 2021, reflecting an increase of 5.9% y-o-y with a gross profit contribution of 5.6% during the period versus 6.8% in 9M 2020. Concurrently, gross profit from other electrical products grew by 54.4% y-o-y to record EGP 266.9 million in 9M 2021 and yielded a contribution to consolidated gross profit of 4.8% for the period. Elsewedy's renewables segment booked a gross profit of EGP 134.1 million during the first nine months of 2021, representing a 2.4% contribution to total gross profit.



Summary of Gross Profit by Segment

EGP (000)'s	Q3-2021	Q3-2020	% Change	9M-2021	9M-2020	% Change
Wires & Cables	632,789	680,264	-7.0%	2,211,363	1,629,964	35.7%
Turnkey Projects	712,692	849,996	-16.2%	2,077,931	1,559,173	33.3%
Meters	120,856	180,469	-33.0%	513,623	483,710	6.2%
Transformers	90,732	115,511	-21.5%	311,277	293,822	5.9%
Electrical Products	107,844	80,285	34.3%	266,929	172,880	54.4%
Renewables – IPPs	45,836	94,840	-51.7%	134,130	162,192	-17.3%
Total	1,710,750	2,001,367	-14.5%	5,515,252	4,301,741	28.2%

Segments Overview

Wires & Cables Segment

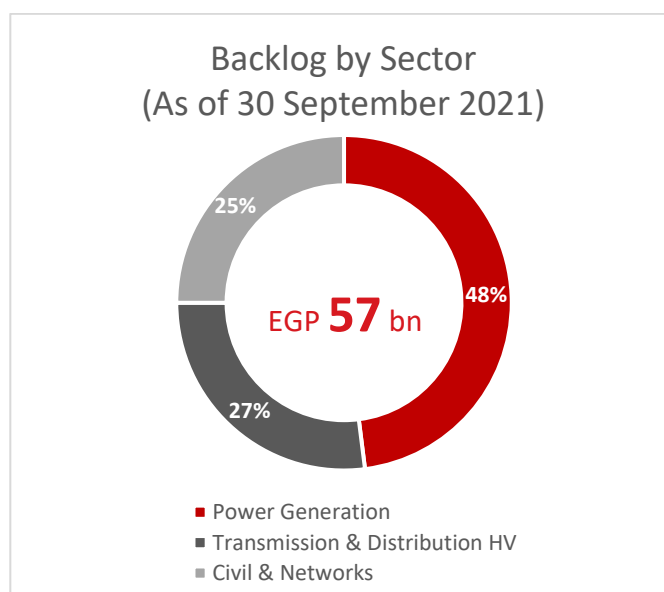
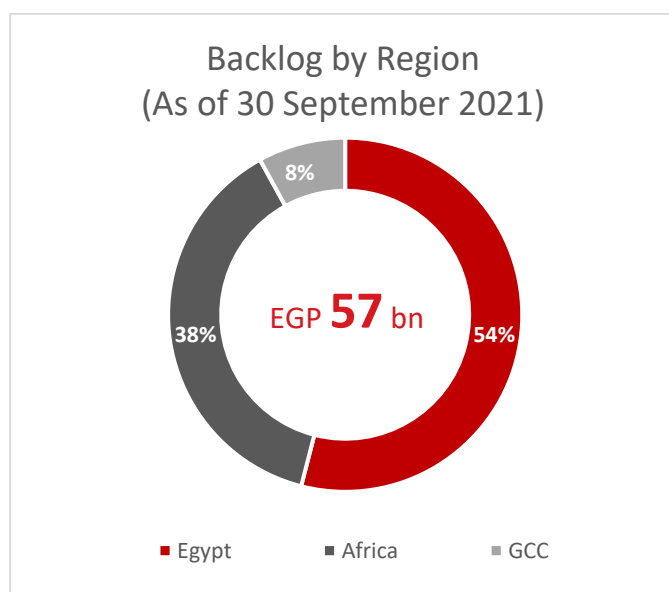
Revenue from wires & cables increased by 55.7% y-o-y to reach EGP 20,264.7 million in 9M 2021 in comparison to the EGP 13,012.9 million registered one year previously. Growth in the segment was primarily backed by an increase in prices during the period, paired with the solid growth in the segment's sales volumes. Sales volumes for the wires and cables segment witnessed an increase of 13% y-o-y to record an aggregate of 99,130 tons in 9M 2021 compared to the 87,706 tons sold in 9M 2020. Gross profit from the cables segment climbed by 35.7% y-o-y, reflecting an 18% y-o-y growth in gross profit per ton to EGP 15,719 up from the EGP 13,315 figure booked in the same period last year. The segment registered a gross profit margin of 10.9% for 9M 2021, down from the 12.5% booked in the same period last year.

Wires & Cables Segment Financial Highlights

	Q3-2021	Q3-2020	% Change	9M-2021	9M-2020	% Change
Revenues Before Intercompany Sales (EGP 000's)	9,306,722	7,002,825	32.9%	25,919,072	19,427,786	33.4%
Revenues After Intercompany Sales (EGP 000's)	7,440,382	4,745,542	56.8%	20,264,667	13,012,915	55.7%
Gross Profit (EGP 000's)	632,789	680,264	-7.0%	2,211,363	1,629,964	35.7%
GP Margin Before Intercompany Sales	6.8%	9.7%		8.5%	8.4%	
GP Margin After Intercompany Sales	8.5%	14.3%		10.9%	12.5%	
Cables Sales Volumes (Tons)	31,885	31,521	1.2%	99,130	87,706	13.0%
Cables Gross profit per ton (EGP)	16,273	14,367	13.3%	15,719	13,325	18.0%

Turnkey Projects

Revenue from turnkey projects was EGP 16,459.7 million in 9M 2021, up by 12.5% y-o-y from EGP 14,626.8 million in 9M 2020.



Turnkey projects contributed 40.3% to Elsewedy's consolidated revenues in the first nine months of 2021, down from the 46.5% booked in 9M 2020. Backlog in the turnkey projects segment recorded EGP 57 billion for 9M 2021, registering a 17.5% increase from the EGP 48.5 billion booked one year previously. Gross profit from the segment recorded EGP 2,077.9 million in 9M 2021, up by 33.3% y-o-y, with the segment's gross profit margin at 12.6% for the period, up by 1.9 percentage points from 10.7% in 9M 2020.

Meters Segment

Revenues from the meters segment declined by 15.2% y-o-y to EGP 1,758 million in 9M 2021. Volumes sold fell by 30.6% y-o-y to 3.06 million meters in 9M 2021 versus the 4.4 million meters booked in 9M 2020. Gross profit per meter grew by 53.1% y-o-y to reach EGP 168 against EGP 110 one year prior. Meanwhile, the segment's backlog recorded EUR 110 million at the close of 9M 2021, reflecting an increase of 48.6% from EUR 74 million recorded in the same period of 2020.

Meters Backlog (As of 30 September 2021)

EUR **110** mn

Meters Segment Financial Highlights

	Q3-2021	Q3-2020	% Change	9M-2021	9M-2020	% Change
Revenues Before Intercompany Sales (EGP 000's)	581,293	769,588	-24.5%	2,124,401	2,346,851	-9.5%
Revenues After Intercompany Sales (EGP 000's)	470,801	677,916	-30.6%	1,758,036	2,072,892	-15.2%
Gross Profit (EGP 000's)	120,856	180,469	-33.0%	513,623	483,710	6.2%
GP Margin Before Intercompany Sales	20.8%	23.5%		24.2%	20.6%	
GP Margin After Intercompany Sale	25.7%	26.6%		29.2%	23.3%	
Sales Volumes (meters)	779,271	2,020,892	-61.4%	3,055,121	4,403,676	-30.6%
Gross profit per meter (EGP)	155	89	73.7%	168	110	53.1%

Transformers Segment

Revenue from the transformers segment climbed by 35.9% y-o-y in 9M 2021 to EGP 1,431.1 million. Volumes sold witnessed a y-o-y increase of 44.8% to reach 9,153 MVA in 9M 2021. Gross profit per MVA fell by 26.8% y-o-y to EGP 34,010 in 9M 2021, down from 9M 2020's EGP 46,470. Total segmental gross profit rose by 5.9% y-o-y to register EGP 311.3 million for the nine-month period. The transformers segment backlog booked USD 133 million at the close of 9M 2021 compared to USD 58.5 million one year previously.

Transformers Backlog (As of 30 September 2021)

USD **133** mn

Transformers Segment Financial Highlights

	Q3-2021	Q3-2020	% Change	9M-2021	9M-2020	% Change
Revenues Before Intercompany Sales (EGP 000's)	722,154	496,370	45.5%	1,653,582	1,289,573	28.2%
Revenues After Intercompany Sales (EGP 000's)	628,441	463,693	35.5%	1,431,085	1,053,124	35.9%
Gross Profit (EGP 000's)	90,732	115,511	-21.5%	311,277	293,822	5.9%
GP Margin Before Intercompany Sales	12.6%	23.3%		18.8%	22.8%	
GP Margin After Intercompany Sale	14.4%	24.9%		21.8%	27.9%	
Sales Volumes (MVA)	4,249	2,699	57.5%	9,153	6,323	44.8%
Gross profit per MVA (EGP)	21,352	42,805	-50.1%	34,010	46,470	-26.8%

Electrical Products

Revenues generated from electrical products segment recorded an increase of 65.5% y-o-y to EGP 700.7 million in 9M 2021, with segmental gross profit expanding by 54.4% y-o-y to record EGP 266.9 million and yielding a GPM of 38.1% in the nine-month period.

Renewables - IPPs

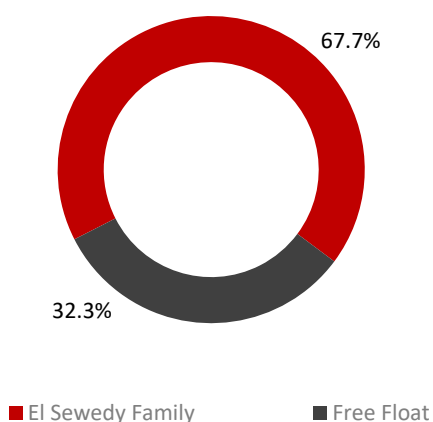
Elsewedy's renewables segment encompasses the company's investments in solar PV power plants in Benban, Aswan, in addition to three wind energy companies and a hydroelectric energy company in Greece, both acquired in 2019. The segment generated revenues EGP 272.7 million in 9M 2021, down by 2.9% y-o-y, with gross profit falling by 17.3% y-o-y to record EGP 134.1 million and yield a GPM of 49.2% during the nine-month period.

About Elsewedy Electric

Established in 1938 by the Elsewedy family, Elsewedy Electric has since grown to become a regional and tactically global integrated cables and electrical products manufacturer and a turn-key services provider with more than 15,000 employees working at 22 production facilities in 15 countries. Structured to face the challenges of the world's fastest growing markets and the complexity of the critical electricity industry, Elsewedy Electric capitalizes on its deep product and sector specialization and unprecedented insight into local markets. www.elsewedyelectric.com

Shareholders Structure

(as at 30 September 2021)



Share Information

SWDY.CA on the EGX

Number of Shares	2,184,180,000
Share Price (30 September 2021)	EGP 8.19
Market Cap (30 September 2021)	EGP 17.9 bn

Investor Relations Contact Information:

Mr. Tarek Yehia, Senior Investor Relations Manager
 Email: tarek.yehia@elsewedy.com
 Address: Plot 27, 1st district, 5th settlement, New Cairo.
 Tel: +202 27599700 – 701
 Fax: +202 27599731

Forward-looking Statements

This document may contain certain forward-looking statements relating to the company's business. These may be identified in part through the use of forward-looking terminology such as "will", "planned", "expected" and "forecast". Any such statements reflect the current views of the company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance, decisions or achievements of the company to be materially different from any future results that may be expressed or implied by such forward-looking statements.

Consolidated Income Statement

EGP	Q3-2021	Q3-2020	% Change	9M-2021	9M-2020	% Change
Sales						
Wires & Cables	7,440,382,254	4,745,541,887		20,264,667,283	13,012,915,279	
Electrical Products	1,435,362,340	1,313,037,887		3,889,780,474	3,549,324,641	
Turnkey Projects	5,998,661,194	5,293,083,539		16,732,455,396	14,907,764,211	
Total Sales	14,874,405,788	11,351,663,313	31.0%	40,886,903,153	31,470,004,132	29.9%
COGS	(13,163,656,275)	(9,350,296,444)		(35,371,650,869)	(27,168,263,614)	
Gross Profit	1,710,749,513	2,001,366,869	-14.5%	5,515,252,285	4,301,740,517	28.2%
Gross Profit Margin	11.5%	17.6%		13.5%	13.7%	
SG&A	(770,315,990)	(689,970,401)		(2,322,347,712)	(2,052,874,387)	
Other Operating Income	111,910,919	179,036,059		314,750,995	367,483,778	
Other Operating Expense	(56,636,338)	(178,951,486)		(256,289,511)	(335,739,572)	
Income from Investments	66,331,820	77,261,962		195,571,122	244,356,181	
EBITDA	1,312,314,297	1,597,447,501	-17.8%	4,239,473,580	3,220,873,272	31.6%
EBITDA Margin	8.8%	14.1%		10.4%	10.2%	
Depreciation & Amortization	(250,274,373)	(208,704,497)		(792,536,400)	(695,906,754)	
FX Gain / (Loss)	14,333,402	(98,363,682)		(1,743,317)	(37,849,902)	
EBIT	1,076,373,325	1,290,379,322	-16.6%	3,445,193,863	2,487,116,616	38.5%
Interest Expense	(192,115,682)	(173,143,776)		(485,820,186)	(386,451,681)	
Interest Income	77,153,792	95,123,395		336,884,210	412,670,716	
Interest Income / (Expenses)	(114,961,890)	(78,020,382)		(148,935,976)	26,219,035	
EBT	961,411,435	1,212,358,941	-20.7%	3,296,257,887	2,513,335,651	31.2%
Tax	(186,732,961)	(302,916,353)		(778,309,112)	(577,930,191)	
Net Income	774,678,473	909,442,588	-14.8%	2,517,948,775	1,935,405,461	30.1%
Minority Interest	(70,821,820)	(91,933,265)		(224,497,786)	(203,652,791)	
Net Income After Minority Interest	703,856,653	817,509,323	-13.9%	2,293,450,989	1,731,752,670	32.4%
Net Income Margin	4.7%	7.2%		5.6%	5.5%	

Consolidated Balance Sheet

EGP	31/12/2020	30/06/2021	30/09/2021
Long Term Assets			
Fixed Assets & Goodwill	8,814,664,639	8,937,096,848	9,509,509,830
Investments	1,524,731,301	2,424,373,450	2,498,818,920
Other long-term Assets	436,434,058	319,874,008	274,084,979
Other long-term Receivables	2,360,964,510	2,561,529,237	2,525,747,897
Total Long-term Assets	13,136,794,508	14,242,873,543	14,808,161,626
Current Assets			
Inventories	7,490,676,915	10,729,343,941	11,315,334,021
Receivables	13,599,623,740	12,520,274,010	13,694,958,569
Other Debit balance	9,249,566,625	11,544,539,215	12,491,375,232
Due from Related Parties	645,776,969	1,025,536,748	826,765,441
Cash & Cash Equivalents	10,811,687,255	11,208,577,976	8,637,371,359
Total Current Assets	41,797,331,504	47,028,271,890	46,965,804,622
Total Assets	54,934,126,012	61,271,145,433	61,773,966,248
Current Liabilities			
Bank Overdraft & Short-term loans	8,268,089,866	12,865,570,265	11,781,160,771
Accounts Payable	5,733,816,805	6,339,559,377	6,787,623,173
Other Credit balance	16,783,796,473	16,918,092,521	17,101,046,005
Due to Affiliates	588,944,840	568,111,797	644,494,076
Provisions	1,497,155,181	1,633,386,654	1,484,466,083
Total Current Liabilities	32,871,803,165	38,324,720,614	37,798,790,108
Issued and Paid Capital	2,184,180,000	2,184,180,000	2,184,180,000
Retained Earnings	13,209,556,139	13,693,057,925	15,355,425,383
Others	1,628,194,204	1,562,926,637	498,112,032
Total Parent's Shareholders' Equity	17,021,930,343	17,440,164,562	18,037,717,415
Minority Interest	869,033,193	916,741,158	1,058,426,646
Total Equity	17,890,963,536	18,356,905,720	19,096,144,061
Long-term Loans	1,981,093,136	2,349,714,766	2,796,196,904
Other long-term Liabilities	2,190,266,175	2,239,804,333	2,082,835,175
Total Long-term Liabilities	4,171,359,311	4,589,519,099	4,879,032,079
Total Liabilities & Equity	54,934,126,012	61,271,145,433	61,773,966,248