

29 September 2024



Q1'24 Earning Release Report

For the 3-months period Ending Apr 30, 2024

GTEX for Commercial and Industrial Investments S.A.E (referred to as "GTEX" or "the Company"), announces Q1 consolidated results for the 3-months period ending April 30, 2024.

Cairo, Egypt | September 2024

GTEX for Industrial and Commercial Investments (GTEX) - the leading investment holding company operating in multiple sectors, including Textile Manufacturing represented in *Goldentex for Wool S.A.E*, Retail and Wholesale business represented by *UK Baird Group* in addition to Real Estate business and Financial Services- announces its first consolidated results since it's a newly established company that has been demerged as a result of the successful demerger of Arafa Holding back last year.

The Group Consolidated Net Revenues stood at USD 25.6 million, EBITDA reported USD 1.5 million. Meanwhile, the Group Operating losses reported USD (3.1 million) with Net losses of USD(4.5 million)*.

The consolidated results of the first quarter of the financial year ending in 31st of January 2025 have been negatively affected with several factors and macroeconomic challenges whether in home country or in UK among; the red sea disruption which hindered Goldentex ability to receive the needed raw material on time, the EGP devaluation in March 2024 leading to higher financial costs, and change in export incentives programs which resulted into lower incentives for our textile manufacturing arm compared to the same period of comparison last year. On the UK side, our UK subsidiary results have been strongly affected by the high inflationary environment leading to the deterioration of customers' purchasing power.

The group is expecting results to improve gradually towards the year end supported by better results from our textile manufacturing arm "Goldentex" on back of higher export sales during second half of the year backed by improved conditions of European and American markets, increase demand from Turkish market on the back of increasing operational cost in Turkey. Adding to that, Goldentex is investing in machinery with higher technology that will reflect on shorter production time with higher quality. Meanwhile, the company is collaborating with alternative suppliers in order to minimize the effect of red sea disruptions on raw materials.

*GTEX is a newly established company with no comparative figures.

Consolidated results for the 3 months Ending Apr 30, 2024

USD in millions	Q1 2024
Net Revenues	25.6
Gross Profit	17.4
EBITDA	1.5
Operating Profit/loss	(3.1)
Net Profit/loss	(4.5)

GTEX group announced its first consolidated quarter results for the financial year ending on 31st of January 2025 achieving **Consolidated Net Revenues** of USD 25.6 million.

The Group recorded **Consolidated EBITDA** of USD 1.5 million with an EBITDA margin of 5.8% despite macroeconomic challenges faced whether in home country or in UK among; the red sea disruption, the EGP devaluation in March 2024 leading to higher financial costs, this is in addition to the change in export incentives programs resulting in lower incentives for our textile manufacturing arm compared to the same period of comparison last year. On the UK side, our UK subsidiary results have been strongly affected by the high inflationary environment leading to the deterioration of customers' purchasing power.

GTEX recorded **Consolidated Operating Losses** of USD (3.1 million) on back of the above-mentioned factors, while **Consolidated Net losses** for the period reached USD (4.5 million) on back of net financing cost of USD 1.2 million.

Goldentex results

USD in millions	Q1 2023	Q1 2024	% change
Sales	4.8	4.6	-3.2%
Gross Profit	1.0	1.1	12.9%
EBITDA	1.3	0.9	-32.1%
Operating Profit/loss	1.2	0.7	-41.4%
Net Profit /loss	0.8	0.2	-76.9%

Goldentex is the group textile manufacturing arm that was established in 1982 as fully integrated production facility and is considered one of the most prominent companies in the wool industry in the region with exports exceeding 70% of the company's total sales, with a strong clients' portfolio in USA, Europe and Turkey including major players such as Boggi, JOOP!, Brooks Brothers, Gurmen Group and Beymen . Goldentex achieved during Q1 2024 **Net Sales** of USD 4.6 million, down by 3.2% compared to USD 4.8 million in the same period of the previous year even though the company's sales are up by 9.5% y-o-y on local currency, yet the sales were affected on translation of financial statements with devaluation of EGP against USD by more than 50% in March 2024.

EBITDA recorded USD 0.9 million during Q1 2024 compared to USD 1.3 million during Q1 2023 on the back of the change in the Export Incentive Program that was applied in May 2023 to reach 10% versus 18% implemented before, this is in addition to higher SG&A expenses during the period due to red sea disruptions. **Operating Profit** recorded USD 0.7 million compared to USD 1.2 million, and **Net profit** recorded USD 0.2 million compared to USD 0.8 million affected by the increase in financing costs after the devaluation of the EGP against USD since the devaluation has increased the finance needed in EGP to cover same level of production units in foreign currency.

Baird Group results

USD in millions	Q1 2023	Q1 2024	% change
Sales	20.1	20.9	4.2%
Gross Profit	9.4	16.3	73.5%
EBITDA	0.3	0.4	56.8%
Operating Profit/loss	(3.0)	(4.0)	-30.7%
Net Profit/loss	(3.8)	(5.2)	-36.2%

Baird Group is the UK retail and wholesale business arm operating since 1894 through portfolio of owned and licensed brands, such as Suit Direct, Gibson London, Jeff Banks, Ted Baker, Alexander and others, operating through standatone shops and online platforms. Baird group recorded **Sales** of USD 20.9 million in Q1 2024 compared to USD 20.1 million in Q1 2023. UK retail market is witnessing state of instability backed by high inflationary environment and lower purchasing power that pushed several key retail chains to shut their stores in the UK market.

Meanwhile, Baird Group has achieved **EBITDA** of USD 0.4 million compared to USD 0.3 million in Q1 2023. Baird Group recorded an **Operating loss** of USD (4.0 million) compared to losses of USD (3.0 million) due to higher amortization costs of residual value of Ben Sherman IP. Adding to that, the group recorded **Net loss** of USD (5.2 million) compared to losses of USD (3.8 million) on the back of higher financing costs compared to the same period of last year as Bank of England has been increasing interest rates continuously over last three years to curb the inflation.

Appendix

Financial statements

for the 3 months Ending Apr 30, 2024

Consolidated Income Statement

USD	Q1 2024
Revenues	25,561,629
COGS	(8,137,214)
Gross Profit	17,424,415
SG&A	(21,228,127)
Net Other Operating Income	470,863
EBITDA	1,488,428
Operating Profit /loss	(3,103,361)
Net Financing Cost	(1,240,639)
Earnings Before Tax	(4,343,000)
Taxes	(144,154)
Net Profit/ Loss	(4,488,153)

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Consolidated Balance Sheet

USD	Q1 2024
Non-Current Assets	
Property, Plant and Equipment	30,159,714
Projects under construction	580,939
Intangible Assets	28,954,867
Right of Use Assets	6,291,493
Investments at Fair Value	283,444
Deferred Tax Assets	5,985,065
Employee Benefits	3,865,131
Total Non-current Assets	76,120,653
Current Assets	
Inventory	24,553,988
Accounts Receivable and Other Debtors	20,149,251
Due from Related Parties	2,986,004
Tax Assets	525,325
Cash and Cash Equivalents	7,141,716
Total Current Assets	55,356,284
Total Assets	131,476,937

GTEX for Commercial and Industrial Investments S.A.E (referred to as "GTEX" or "the Company"), announces Q1 consolidated results for the 3-months period ending April 30, 2024.

Equity	
Capital	16,929,000
Legal Reserve	246,852
Revaluation Surplus	17,440,128
Translation Differences	-16,109,954
Total Retained Earnings	-8,034,244
Controlling Equity	10,471,782
Non-Controlling Equity	11,529,936
Total Equity	22,001,718
Non-current Liabilities	
Long-term Debt	26,505,269
Lease Liability	7,338,562
Total Non-current Liabilities	33,843,831
Current Liabilities	
Provisions	134,612
CPLTD	18,081,411
Short-term Debt	13,899,043
Accounts Payable and Other Creditors	39,392,072
Due to Related Parties	517,510
Income Tax Payable	1,173,576
Lease Liability	2,433,164
Total Current Liabilities	75,631,388
Total Liabilities	109,475,219
Total Liabilities and Equity	131,476,937

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About GTEX for Commercial and Industrial Investments S.A.E

GTEX is an investment company that operates in multiple strategic fields such as Textile manufacturing, Retail, Real Estate Investment and financial services. The company is listed on the Egyptian Stock Exchange under the Reuters code "GTEX." The company's issued capital amounts to USD 16,929,000 dollars, divided on 470,250,000 shares with par value of 3.6 cents/share.

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