

Eastern Company

SUMMARY OF BUSINESS RESULTS

Standalone Financial Statements – Second Quarter and Six-Month Period Ended June 30, 2026

A. Income Statement

Period from January 1, 2026 to June 30, 2026 | EGP million

	Q2 2026	Q1 2026	Q2 2025	YoY	QoQ	1H 2026	1H 2025	YoY
Total Sales	32,780	23,060	28,534	15%	42%	55,840	53,292	5%
Revenues	12,007	8,526	10,030	20%	41%	20,533	18,927	8%
Gross Profit	5,171	2,868	3,486	48%	80%	8,039	6,334	27%
Gross Profit Margin	43%	34%	35%			39%	33%	
Profit Before Tax	3,640	1,694	3,145	16%	115%	5,334	5,252	2%
Net Profit	2,901	1,253	2,702	7%	131%	4,155	4,328	(4%)
Net Profit Margin	24%	15%	27%			20%	23%	

B. Statement of Financial Position as at June 30, 2026

EGP million

Item	30/06/2026	31/12/2025
Net Working Capital	7,377	8,493
Shareholders' Equity	14,648	13,248
Paid-in Capital	3,000	3,000
Reserves	4,177	4,047

C. Cash Flow Statement – Six-Month Period Ended June 30, 2026

EGP million

Item	Current Period	Comparative Period
Cash Flows from Operating Activities	13,867	(14,799)
Cash Flows from Investing Activities	15,065	2,609
Cash Flows from Financing Activities	(28,852)	10,032
Foreign Exchange Gains / (Losses)	48	(79)

Commentary on Business Results

Q2 2026 – Year-on-Year Performance

- Total sales increased by 15% to EGP 32.8 billion, compared to EGP 28.5 billion in Q2 2025.
- Revenues increased by 20% to EGP 12.0 billion, driven by an improved sales mix and the effectiveness of pricing strategies.
- Gross profit increased by 48% to EGP 5.2 billion, with the gross profit margin improving to 43% from 35%, reflecting improved operating efficiency and effective cost management.
- Profit before tax increased by 16%, while net profit increased by 7%, with the net profit margin remaining broadly stable at approximately 24%.

Q2 2026 – Quarter-on-Quarter Performance

- Total sales increased by 42%, supported by higher seasonal demand during the second quarter.
- Revenues increased by 41% and gross profit increased by 80%, resulting in an improvement in the gross profit margin from 34% to 43%.
- Profit before tax increased by 115%, while net profit increased by 131%, reflecting improved operating performance and higher profitability levels.

1H 2026 Performance

- Total sales increased by 5% to EGP 55.8 billion.
- Revenues increased by 8%, while gross profit increased by 27% compared to 1H 2025.
- Profit before tax remained broadly stable, recording a 2% increase, while net profit decreased by 4%, mainly due to the recognition of provisions related to the Early Retirement Program.
- The Early Retirement Program provision amounted to approximately EGP 2.6 billion during 1H 2026, compared to approximately EGP 0.9 billion in the comparative period, representing an increase of approximately EGP 1.7 billion. This reflects the utilization and completion of the provision related to the program.

Overall, the underlying operating performance remained strong, as reflected in the growth in revenues and gross profit, while reported net profit was impacted by the non-recurring cost associated with the completion of the Early Retirement Program.

**Investor Relations Manager
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