

EASTERN COMPANY S.A.E.

Q1 FY2026 Results Review

Three-Month Period Ended 31 March 2026

Key Highlights

- Net Revenue amounted to EGP 8.53 billion compared to EGP 8.90 billion in Q1 FY2025, representing a decline of 4%.
- Gross Profit increased by 1% to EGP 2.87 billion despite lower sales volumes.
- Gross Profit Margin improved to 34% compared to 32% in the prior year period.
- Profit Before Tax reached EGP 1.69 billion compared to EGP 2.11 billion in Q1 FY2025.
- Net Profit amounted to EGP 1.25 billion versus EGP 1.63 billion in the corresponding period last year.
- Operating cash flow improved significantly, generating EGP 3.48 billion during the quarter.
- Shareholders' Equity increased to EGP 14.5 billion as of 31 March 2026.

Financial Performance Summary

EGP million	Q1 FY2026	Q1 FY2025	YoY Change
Gross Revenue (before taxes)	23,060	24,758	-7%
Net Revenue	8,526	8,897	-4%
Gross Profit	2,868	2,848	+1%
Gross Margin	34%	32%	+2 pts
Profit Before Tax	1,694	2,107	-20%
Net Profit	1,253	1,627	-23%
Net Profit Margin	15%	18%	-3 pts

Management Commentary

Eastern Company delivered resilient operating performance during the first quarter of FY2026 despite challenging market conditions and seasonal factors affecting sales volumes.

Net revenue reached EGP 8.53 billion during the quarter compared to EGP 8.90 billion in the corresponding period of the previous year. The decline in revenue was primarily attributable to lower

sales volumes, reflecting the seasonal impact associated with the Holy Month of Ramadan and the Eid Al-Fitr holiday period.

Implemented price increases during the period partially offset the impact of lower sales volumes and contributed to maintaining profitability levels. As a result, gross profit increased by 1% year-on-year to EGP 2.87 billion, while gross profit margin expanded to 34% from 32% in the prior-year period.

Accordingly, net profit for the quarter amounted to EGP 1.25 billion compared to EGP 1.63 billion in Q1 FY2025.

Balance Sheet Highlights

EGP million	31 Mar 2026	31 Dec 2025
Net Working Capital	9,662	8,493
Shareholders' Equity	14,502	13,248
Paid-in Capital	3,000	3,000
Reserves	4,047	4,047

Cash Flow Highlights

EGP million	Q1 FY2026	Q1 FY2025
Operating Activities	3,482	(6,731)
Investing Activities	16,083	(1,832)
Financing Activities	(4,068)	(13)
Foreign Exchange Gains/(Losses)	87	(9)

Outlook

The Company remains committed to strengthening operational efficiency, optimizing working capital management, and maintaining sustainable profitability levels. Management continues to focus on enhancing long-term shareholder value while supporting the Company's strategic growth objectives.

Investor Relation Manager

Mohamed Mostafa