



## **First Quarter 2026 Results**

### **Quarter-on-quarter improvement as prices outpace cost increases**

**Alexandria, 24<sup>th</sup> May 2026** – Lecico Egypt announces its consolidated results for the first quarter of 2026. Revenue was up 16% to LE 1,956.8 million. The Company reported an operating profit (EBIT) of LE 148.9 million compared to an operating profit of LE 217.7 million in 1Q 2025. Lecico reported a net profit of LE 42.4 million compared to a net profit of LE 92.4 million in the same period last year.

**Lecico Egypt Chairman, Gilbert Gargour commented,** “We are off to a good start for 2026 with results – although down on the same period last year - showing good improvement over fourth quarter 2025.

“We benefited from improved operational efficiency, local price increases and a weaker Egyptian Pound. I am pleased with this result as this quarter included holidays which meant lower production levels and sales volumes than in the previous quarter.

“This has certainly been an eventful first quarter globally and the unstable international environment – with knock on effects on our factories and markets – are far from settled. Our closeness to our markets and Egypt’s partial self-sufficiency on energy will allow Lecico to benefit from this crisis. However, this will not be without some pain.

“The year ahead will be a challenging one, I have every confidence we will emerge from 2026 a stronger business.”

**Taher Gargour, Lecico Egypt CEO, added,** “The first quarter of 2026 shows growth in profits and margins over the fourth quarter despite lower revenues and volumes.

“Our local prices benefitted from the increases done late last year and in January and the drop in the Egyptian Pound helped boost our export prices. All of which helped offset the strong inflation we have seen in light of growing conflict and uncertainty in the region.

“Our sanitary ware business saw manufacturing KPIs improve. Tiles similarly saw improvement. Despite around 8% lower volumes, we were able to improve margins by a couple of percentage points on the last quarter in a challenging operating environment.

“Although the global political and economic outlook remains volatile, we are hoping to see growth quarter-on-quarter in the coming period. Still, we expect the pressure of cost inflation in Egypt will likely see a further squeeze in our margins.

“We will look to economies of scale and efficiency to offset this inflation, but we will likely not unlock enough to fully offset these pressures this year. We will continue to work hard to preserve and build on our results whatever the environment.”

## About Lecico

Lecico (Stock symbols: LCSW.CA; LECI EY) is a leading producer of export-quality sanitary ware in the Middle East and one of the largest tile producers in Egypt, with over 50 years of experience in the industry and decades of experience as an exporter to developed markets.

Lecico benefits from significant cost advantages in labour, energy and investment costs resulting from its economies of scale and location in Egypt and Lebanon. Lecico's marketing strategy is to use its cost advantages to target the mass market with high quality pieces at competitive prices.

Lecico exports over half its sanitary ware production and has a significant presence in the United Kingdom and other European markets. Most of the Company's exports are done under the Lecico brand, although it also produces for other European brands.

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