GEMMA
ceramic&porcelaintiles

AL Ezz Ceramics & Porcelain Co.

5TH AUG2026

Stock Exchange in Cairo

Subject: Press Release for the second quarter of 2026

Reference to the above mentioned subject, kindly find attached press release for the second quarter of 2026.

Best Regards,

Al Ezz Ceramics & Porcelain Co.

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Gemma Ceramics Announces second Quarter Financial Results for 2026.

Cairo on Aug 5, 2026, Al Ezz Ceramics & Porcelain Company – Gemma (listed on Egyptian Exchange (EGX) since September 1998), a leading provider of high-end Ceramics & Porcelain solutions, today announced financial results for the first quarter ended 30JUN 2026.

Quarter Highlights:

- **Revenue:** Total revenue for the quarter was EGP 869.15 million, compared to EGP 659.24 million in the same period last year, increase of 32%.
- **Net profit:** Net profit for the quarter reached **EGP 15.71 million**, equivalent to **EGP 0.29 per share**, compared to **EGP (28.6)million**, or **EGP(0.54) per share**, same period last year.
- **Operating profit:** Operating income for the quarter was EGP 75.64 million, compared to EGP 57.68 million in the same period last year, increase of 31%.
- **EBITDA:** EBITDA for the quarter was EGP 88.5 million, compared to EGP 74.3 million in the same period last year, increase of 19%.

Management Commentary:

The results for the second quarter of 2026 reflect the Company's continued gradual improvement in both operational and commercial performance, supported by higher sales volumes, increased export contribution, and an improved product mix with a greater share of porcelain products and other higher value-added offerings. This performance was achieved despite ongoing economic challenges and a difficult operating environment, including higher production, energy, and financing costs, as well as intense price competition from low-cost imported products, particularly from Asian markets.

Despite these challenges, the Company returned to net profitability, driven by improved operating performance, stronger export contribution, and the positive impact of exchange rate movements on the competitiveness of Egyptian products in international markets. The Company also continued to execute its strategy of optimizing its sales mix by increasing the share of porcelain products and other higher-margin offerings, supporting margin expansion over the medium and long term.

Sales segment performance:

- **Local Market:** Revenue for the Domestic Market segment was EGP 697.43million, an increase of 25% compared to EGP 557.10 million in the same period last year.
- **Export Market:** Revenue for the Export Market segment was EGP 171.71 million, an increase of 68% compared to EGP 102.14 million in the same period last year.

Key financial indicators:

Numbers in Million Pounds	Quarter 2		%	Total		%
	2026	2025	26/25	2026	2025	26/25
Net Sales	869.15	659.24	132%	1,537.92	1,297.37	119%
Gross Profit	165.89	147.89	112%	284.47	306.78	93%
Net Operating Profit (Profit before interest & tax)	75.64	57.68	131%	110.37	131.25	84%
Net Profit	15.71	-28.60	155%	-69.36	-59.00	-18%
Cost of goods sold to sales	80.98%	77.57%		81.50%	76.35%	
Net operating Profit to sales	8.70%	8.75%		7.18%	10.12%	
Net Profit to sales	1.81%	-4.34%		-4.51%	-4.55%	

Outlook:

The Company remains cautiously optimistic about the period ahead amid the continued economic challenges, including elevated energy and financing costs, exchange rate volatility, geopolitical developments, and increasing competition from low-cost imported products. At the same time, it continues to focus on maximizing the utilization of its available production capacity, improving operational and manufacturing efficiency, enhancing product quality, and optimizing working capital management to mitigate cost pressures and strengthen profitability.

The Company also continues to execute its strategy of optimizing its product mix by increasing the contribution of porcelain products, large-format tiles, and other higher value-added offerings, while selectively expanding its presence in export markets, particularly across Africa and Europe. In addition, the Company aims to capitalize on reconstruction opportunities and the expected growth in the projects sector, supported by the improving competitiveness of Egyptian exports.

Furthermore, the Company continues to invest in enhancing its technical capabilities through the addition of advanced machinery and equipment that improve production flexibility. These investments support the Company's integrated strategy of maximizing asset utilization, diversifying revenue streams, achieving sustainable growth, and creating long-term value for shareholders.

About Al Ezz Ceramics & Porcelain Company (Gemma):

Al Ezz Ceramics & Porcelain is one of the leading ceramics and porcelain brands in Egypt and the Middle East. "Gemma" was established 1989 in Sadat City, as the first advanced factory to produce high-quality ceramics, we serve our customers worldwide through a network of distributors in Europe, Middle East, Africa and North America. "Gemma" is leader in the markets by its design through continuous investments, the company is committed to quality, growth, integration, supporting its growth in export markets and creating value for shareholders.

On AUG 5, 2026, paid-in capital is 266.7 million Egyptian pounds, divided into **53.34 million shares,** with a nominal value of 5 Egyptian pounds per share.

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