Cairo Poultry Company Reports 1Q26 Results; Weak Prices, yet Sequential Recovery

Key Results Highlights of 1Q26

5% Decline in Revenues to EGP3,996 mn	13% Decline in COGS to EGP2,940 mn	Gross Profit Margin of 26%
EGP607 mn EBITDA with 15% Margin	Net Profit EGP625 mn with 16% Margin	

13 May 2026| Cairo | Cairo Poultry Company (POUL.CA on the Egyptian Exchange) CPC announced its 1Q26 results, posting a slight 5% YoY revenue decline to EGP 3,996 mn. This performance was driven by lower selling prices, especially of feed and poultry, despite volume growth in key categories—particularly feed sales. In the face of ongoing market headwinds and weakened consumer purchasing power, the company maintained healthy margins, underscoring its operational resilience.

EBITDA for 1Q26 fell 50% YoY to EGP 1,216 mn, compared to an exceptional 1Q25, resulting in a normalized margin of 15%.

Net profit declined 38% YoY in 1Q26 to EGP 625 mn. The company's net profit margin contracted to 16%, down from 24% in 1Q25. Despite these declines, CPC demonstrates resilience amid ongoing market fluctuations by maintaining positive profitability and sequential growth over 4Q25.

Sectoral Performance

Feed Division

During 1Q26, total feed sales volumes remained stable compared to 1Q25, as an 8% decline in poultry feed was balanced by a 20% surge in aquafeed & a 7% rise in cattle feed. The period also saw the introduction of new pet food products, a promising addition to the portfolio. Meanwhile, price fluctuations in poultry led to subdued rearing activity. Against 4Q25, volumes declined 19% on the back of seasonality in poultry feed.

Meanwhile, prices rose 4% YoY. This increase was driven by the normalization of commodity prices and the weakening of the Egyptian pound since the start of the year. Feed revenues contributed 19% of the total revenue standing at EGP767 mn and EBITDA of EGP58 mn at a margin of 4% up from 3% in 1Q25.

Poultry Division

Generally, poultry sector activity recovered through 1Q26, with parent chick and broiler chick volumes rising 6% and 14% respectively versus 1Q25. Likewise, live bird volumes climbed 28%. This increase resulted from phasing and added capacity from the new broiler farm. Compared to 4Q25, parent chick volumes jumped 51% on the back of higher productivity and phasing, while broiler chick and live bird volumes declined 6% and 8%, respectively, due to seasonality.

Supply shortages early in 2025, which caused significant price hikes later that year, encouraged many farmers to raise chicks and live birds. This led to a surplus of chicks and live birds by late 2025 and into 1Q26. As a result, parent chick prices fell 23% to EGP351/chick. Broiler chick and live bird prices followed suit, dropping 58% and 10% versus 1Q25, to EGP50/chick and EGP90/kg, respectively. Despite the decline in prices, higher volumes more than offset the impact, delivering total revenue of EGP1,912 mn (representing 48% of the total). This segment recorded EBITDA of EGP447 mn, with a margin of 20%, down from 40% in 1Q25.

Processing and Further Processing (Koki)

Koki has been impacted by tight consumer spending and squeezed purchasing power, with 1Q26 total volumes declining 9% YoY. The most pronounced drop came from frozen chicken (down 25%), which aligns with our strategic direction, as frozen remains a non-core, opportunistic segment rather than a focus area. In contrast, VA chicken and beef products declined a more moderate 3% and 4%, respectively. On sequential basis, total volumes improved 1% versus 4Q25, driven by 11% growth in VA products, more than offset a 45% decline in frozen chicken—reinforcing the resilience of our core portfolio

Thanks to innovative strategies and targeted marketing campaigns, Koki raised average selling prices by 7% in 1Q26 versus 1Q25, defying higher input costs and weak purchasing power. The sector accordingly contributed EGP1,309 mn to total revenues (33% share) and delivered solid EBITDA of EGP111 mn, with a margin of 9% in 1Q26, down modestly from 10% in 1Q25.

Financial Performance

In 1Q26, CPC reported a slight 5% drop in revenues over 1Q25, reaching EGP3,996 mn. Such drop came on the back of lower selling prices, especially of feed and poultry, despite the growth in volumes. However, Koki witnessed an overall increase in prices but at lower volumes. Yet, revenues increased 4% over 4Q25.

COGS increased 13% YoY to reach EGP2,940 mn. CPC achieved a gross profit of EGP1,055 mn, marking a decline of 34% over 1Q25. The gross profit margin (GPM) stood at 26.4%, 11.6 ppts lower than 1Q25. Compared to 4Q24, gross profit increased 12% with 1.8 ppts higher margin than the 4Q25 level.

Throughout 1Q26, SG&A expenses rose 26% and 23% over 1Q25 and 4Q25 respectively, reaching EGP227 mn, contained at 5.7% of revenues, compared to 4.3% in 1Q25 and 4.8% in 4Q25. Such increase was due to higher labor costs, advertising expenses, and one-off consulting costs.

EBITDA dropped 50% to EGP1,216 mn, with a margin of 15%. Yet, compared to 4Q25, EBITDA grew a significant 31% with a 3 ppts margin improvement.

During 1Q26, CPC achieved a significant improvement in net interest income reaching EGP212 mn, marking 40% and 11% growth over 1Q25 and 4Q25 respectively. This improvement reflects the company's strategic decision to reduce dependence on external financing amid elevated interest rates, while optimizing cash utilization.

CPC delivered strong profitability in 1Q26, with net profit at EGP625 mn, a 38% decline over 1Q25, with a margin of 16%, 8.3 ppts lower. However, compared to 4Q25, net profit jumped 19% with a 2 ppts margin improvement.

CPC has demonstrated strong financial resilience, supported by a solid balance sheet even amid challenging market conditions. In 1Q26, the Company achieved a strong cash conversion cycle – standing at 15 days, slightly below the 12 days recorded in 1Q25. This enhancement was driven by optimized inventory controls and strategically negotiated supplier terms. These working capital efficiencies underscore CPC’s operational discipline and reinforce its stable financial position.

Outlook

Despite challenging market conditions and constrained consumer spending, CPC has delivered robust performance, supported by its vertically integrated operations that enhance resilience and profitability. Looking ahead to 2026, prices could remain volatile till the end of the year, while volumes should improve as supply stabilizes amid improved rearing conditions—driving increased demand for poultry feed.

Capitalizing on its integrated structure, CPC remains committed to reinforcing its strategic positioning and operational efficiency. This approach ensures sustained financial stability and strong margins in a dynamic and competitive market environment.

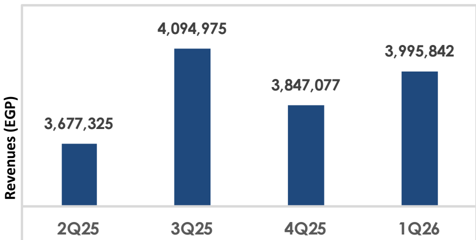
Financials

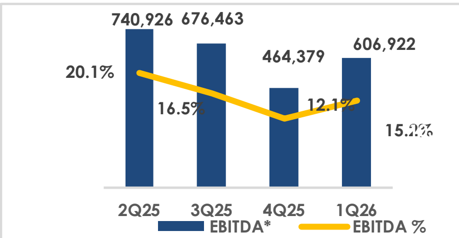
(in 000)

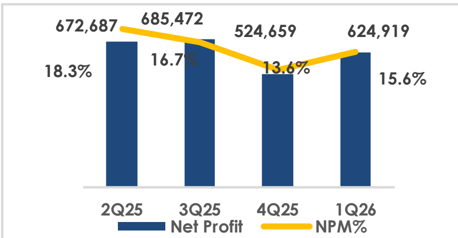
Income Statement	1Q26	1Q25	YoY	4Q25	QoQ
Revenues	**3,995,842**	**4,205,418**	**-5.0%**	**3,847,077**	**3.9%**
COGS	-2,940,389	-2,607,623	12.8%	-2,900,233	1.4%
Gross Profit	**1,055,453**	**1,597,795**	**-33.9%**	**946,844**	**11.5%**
GPM	*26.4%*	*38.0%*	*-11.6%*	*24.6%*	*1.8%*
G&A	-95,010	-74,551	27.4%	-82,010	15.9%
S&D	-131,571	-105,711	24.5%	-102,859	27.9%
Other Operating Income	70,965	79,740	-11.0%	-65,366	-208.6%
EBITDA*	**606,922**	**1,216,358**	**-50.1%**	**464,379**	**30.7%**
EBITDA M	*15.2%*	*28.9%*	*-13.7%*	*12.1%*	*3.1%*
Depreciation	-329,927	-259,547	27.1%	-409,174	-19.4%
Operating Profit	**569,909**	**1,237,726**	**-54.0%**	**287,435**	**98.3%**
OPM	*14.3%*	*29.4%*	*-15.2%*	*7.5%*	*6.8%*
Net Interest Expense	212,265	150,802	40.8%	191,120	11.1%
Investment Income	0	0	-	0	-
FX Gain/ Loss	31,719	-1,709	-1956%	-1,151	-2855%
Other Income/ Expense	-28,737	-57,313	-49.9%	160,187	-117.9%
PBT	**785,157**	**1,329,506**	**-40.9%**	**637,591**	**23.1%**
PBTM	*19.6%*	*31.6%*	*-12.0%*	*16.6%*	*3.1%*
Deferred tax	-4,807	-19,130	-74.9%	-3,868	24.3%
Income Tax	-155,431	-303,124	-48.7%	-109,064	42.5%
Net Profit After Taxes	**624,919**	**1,007,252**	**-38.0%**	**524,659**	**19.1%**
NPM	*15.6%*	*24.0%*	*-8.3%*	*13.6%*	*2.0%*

*Adjusted EBITDA

Financial KPIs (000 EGP)







Head Office
32H Mourad st. Giza
Egypt. P.O 42

Investor Relations
Haitham El Shaarawy
Investor Relations Manager

Tel: +202-35717753

Shareholder Information
Reuters: POUL.CA
Bloomberg: POUL.EY
Number of Outstanding Shares: **479,001,600**

About Cairo Poultry Company
Cairo Poultry Company (CPC) is the region's leading vertically integrated poultry company with a business model based on expert control of the supply chain and operations covering all steps of the production cycle, including grandparents, parents, hatcheries, broilers, processing and value added products. Thanks to star brands like Koki and Koki Gold, we are Egypt's key player in the market for retail and value-added food sales in Egypt, offering a wide variety of chilled, frozen, and value-added products to individual and institutional clients alike.

For further information, please contact:
haitham.shaarawy@cpg.com.eg

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