



Second Quarter 2025 Results

Profitability squeezed by cost inflation pressures

Alexandria, 14th August 2025 – Lecico Egypt announces its consolidated results for the second quarter of 2025. Revenue was up 21% to LE 1,877.5 million. The Company reported an operating profit (EBIT) of LE 173 million compared to an operating profit of LE 301.4 million in 2Q 2024. Lecico reported a net profit of LE 53.1 million compared to a net profit of LE 150.4 million in the same period last year.

For the first six months, revenue was up 22% to LE 3,568.1 million. The Company reported an operating profit (EBIT) of LE 370.5 million compared to an operating profit of LE 623.1 million in the first half of 2024. Lecico reported a net profit of LE 145.5 million compared to a net profit of LE 627.9 million in the same period last year.

Lecico Egypt Chairman, Gilbert Gargour commented, “I am pleased to report solid results for the quarter despite the pressure of increased cost inflation reducing our profit margins and overall profitability year-on-year.

“Our sales volumes and values show considerable improvement. However, limited price increases and significant cost inflation have eaten into our margins significantly. We are still waiting to see demand start to recover in our key markets. We are looking at demand from new markets and customers to grow sanitary ware in the second half.

“Our challenge is to maximize sales opportunities in the current environment, while continuing to grow share in our core markets through new product and market segmentation. I hope we can see enough momentum in this to maintain and hopefully improve our results over the rest of this year.”

Taher Gargour, Lecico Egypt CEO, added, “We will need markets to start growing if we are going to deliver more going forward. It seems a sector-wide recovery is still some ways away. Lecico is targeting some new customers and markets for growth in the second half. We are expecting our new high-pressure lines in sanitary ware and our new porcelain tile line to both start operations towards the end of the year.

“The quarter shows the pressures on margins from cost inflation. A trend that we have seen since the large devaluation at the end of 1Q 2024. I am pleased to see quarter-on-quarter stability in our operating results for the past three quarters. Hopefully, with inflation in Egypt slowing down, we should be able to build on this basis if we get the bump in sales we are hoping for in the second half.”

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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