CFH RO: Strong Q2 profitability and FY guidance raised | POSITIVE

* Cris-Tim Q2’26 revenues reached RON 298.7m, up 5% Y/Y, while EBITDA increased by 27% Y/Y to around RON 60.0m. Net profit rose by 20% Y/Y to RON 32.7m. The implied EBITDA margin improved to around 20.1%, from 16.6% in Q2’25 and 18.9% in Q1’26, as lower raw material costs continued to support profitability.
* At H1 level, CFH posted a net profit of RON 63.6m, up 33.9% Y/Y, supported by revenues of RON 567.4m, up 6.2% Y/Y, and EBITDA of RON 110.7m, up 28.4% Y/Y. H1 EBITDA margin expanded by 3.4pp to 19.5%, while net profit margin improved to 11.2% from 8.9% in H1’25.
* Operationally, growth remained largely volume-driven. Cold Cuts revenues increased by 7% Y/Y to RON 503.6m, with average selling prices broadly stable, while premium brand Matache Măcelaru continued to outperform, up 24% Y/Y. Ready Meals revenues declined by 2% Y/Y to RON 55.7m, as an 8% drop in volumes was largely offset by a 7% increase in average selling prices. Profitability benefited mainly from lower input costs, with raw materials, consumables and merchandise expenses down 6.2% Y/Y, more than offsetting higher personnel and advertising-related costs.
* Following the stronger-than-expected H1 performance, management raised its 2026 EBITDA guidance by 14% to RON 238.0m, implying a 19.8% margin versus 17.1% previously, while gross profit guidance was increased by 19% to RON 173.9m. Revenue guidance was slightly reduced to RON 1.20b from RON 1.23b. The upgrade mainly reflects lower-than-anticipated raw material costs, although management flags higher energy costs and continued input-cost and FX volatility as key H2 risks. The RON 226.8m CAPEX programme remains on track, with the new logistics hub expected to become operational by end-October **| POSITIVE**