



النساجون الشرقيون
Oriental Weavers

WEAVING

the threads of

INNOVATION

ANNUAL
REPORT

20
20



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ORIENTAL WEAVERS OVERVIEW





are

the leading machine-made carpet and rug manufacturer in the world, generating a revenue of over nine billion Egyptian pounds (570 million USD) in 2020. Exporting over 65% of our production to over 130 countries ensures that our exposure is geographically balanced while simultaneously leading the ever-expanding Egyptian market of approximately 100 million people.

Our primary objective is to continue to advance as a leader in the industry by offering the most elegant and affordable carpets and rugs worldwide which nourishes our consistent, long-term value for our shareholders and guarantees business sustainability for our employees, clients, suppliers, and communities alike – as OW has been doing so for more than forty years.



Our Strategy

We focus on the efficient production of quality, innovative, and affordable soft-floor coverings while strengthening our global position as leaders in the machine-made area rugs industry.

Our Vision

Continue to be the industry's trendsetter and the world's market leader of rugs and carpets spreading happiness and warmth to every room in the world.

Our Mission

Enriching people's life through innovative, sustainable and value driven rugs and carpets crafted by passionate creative minds.

“ I would like to take this opportunity to express my deepest appreciation to those of you who have shown interest in Oriental Weavers. I strongly believe that the steady growth of the group is due to the support of our business partners, associates and colleagues all over the world. The Group is continuously exerting effort in achieving the highest possible quality products for you through devoted research and development programs.

Innovation is the driving force leading to our people’s creativity. It is our pillar of strength originating from the spirit of freedom and security. Granted with innovation are productivity and progress, a result of sound social and work conditions based on motivation and fairness.

On behalf of Oriental Weavers, I wish you continuous success and ask you to continue to extend your patronage and cooperation.”

Mohamed Farid Khamis

OUR FOUNDER’S INSPIRING WORDS

“Everything Bows to Innovation, Even Success.”



MESSAGE

from the Chairwoman

“ With the passing of our founder, my father Mr. Mohamed Farid Khamis, we have lost a visionary, a philanthropist, and a mentor. His spirit remains the heart and soul of Oriental Weavers, and we will continue to lead by the examples he set and are dedicated to continuing his legacy.

Our goal is to provide our partners and customers worldwide with inspirational exquisite floor coverings, surpassing their expectations, while continuing to be the industry leader in design, quality and innovation. We ensure that our partners’ and customers’ demands are met with the highest level of aesthetic essence, uncompromising quality, quickest delivery and the lowest possible cost. We continuously renew and improve our infrastructure and cutting-edge technology to serve both today and tomorrow’s taste and demand.

Our corporate culture is defined by a simple set of corporate values that define how we operate every single day – Innovation, Trust, Care and Pride. This reflects the way we interact with our clients, our colleagues, and our communities. We hold each other accountable for creating a company we can all be proud to work at.

Our Vertical Integration strategy embraces the complete carpet care and rug manufacturing process, from spinning and dyeing yarn to locally producing the polypropylene granules used in making synthetic fibers and blends thus guaranteeing quality and value for every rug. This cornerstone of OW’s strategy, in particular, allows for greater cost reductions and complete control over the manufacturing process.

Our long-term vision is focused despite short-term volatility and uncertainty in the current environment. Our business model is resilient and scalable, our people are energized, and our financials are strong. We remain committed to solidifying and expanding existing client base through outstanding customer service, marketing initiatives, development of new products, and ongoing dedication to produce products of notable quality and value. Given our strong diverse, high-quality product range, brand reputation, customer orientation & team dedication we are confident in continuous growth.

Looking ahead, we are focused on accelerating the execution of our growth strategy while continuing to build on the strength of our brand – more exquisite, innovative & sustainable product that remains as the identity of every home and brings positive change to the communities in which we work and live, while solidifying our position as the definitive floor covering supplier of choice.

Moving forward in the fifth decade we sincerely appreciate all our partners and team members for their valuable contribution and everlasting support in this exciting success journey.”

Yasmine Mohamed Farid Khamis

1979

Oriental
Weavers
Egypt

Established

1980

In House
Design Team
Egypt

1981

Mac Carpets
Egypt

Established

1987

EFCO – Egypt

Established

1988

First showroom
in the
USA opened

1991

Sphinx
(USA
Distribution
Arm)

Established

1993

OWUSA Rug
Manufacturing
- Manufacturing
facility in USA

Established

1994

Oriental Urban
Development
EGYPT
Established

1997

Oriental
Weavers Listed
in Egyptian
Stock Exchange
(EGX)

1999

Oriental
Weavers
International -
Egypt (Private
Free Zone
Facility)

Established

2001

Introduced
World's first 1
Million Point
Rug

2001

Oriental
Weavers Tianjin
(Co) Ltd
Manufacturing
facility in China

2002

Introduced
World's first 2
Million Point
Rug

2005

Oriental
Weavers Textiles
Egypt

Established

2005

The British
University in
Egypt

Established

2006

Egyptian
Propylene &
Polypropylene
Company
(EPP) - Egypt

Established

2009

World's First 3
Million & 4
Rug

2012

OW Hospitality
in
London

Established

2012

New S\SA

2014

Partnering with
Pantone

2018

Fully Automated
Warehouse
Egypt

2021

SAP ERP Go-live-
opened New
showroom
in New York

OW MILESTONES

Recovering from the COVID-19 Pandemic

We were optimistic that 2020 would be a continuation of our strong performance of 2019. Unfortunately, the pandemic disrupted global markets, and sales fell by 22% y-o-y by the end of the first half of the year. Management reacted quickly, and decisively, to the dynamic markets and, as a result, sales increased 10.7% y-o-y in the 3Q20, and 10.5% y-o-y in 4Q20. Management's timely and resourceful reaction to the COVID-19 pandemic significantly mitigated substantial losses, with a resulting sales drop of only 6.4% y-o-y.

Management took a number of actions in response to the ever-changing markets:

- In the early signs of the pandemic, management established a "Crisis Management Team" which closely monitored the situation and took the appropriate actions, including precautionary measures to prevent infections at OW sites globally;
- The export team worked extensively to create a virtual showroom, to satisfy our client's need.
- Due to raw material distribution during the pandemic, management strived extensively on securing raw materials from different destinations, in order not to face any operational disruption
- Consumer purchasing habits changed drastically in 2020, as online purchasing became the only available option. The OW sales team focused on opening new relationships with online retailers to meet the demand of consumers; in addition to uplifting "Carpets online" the official online store.
- OW's treasury department focused extensively on maintaining a healthy cash flow, in order to assure operational continuity. Committees were formed to monitor and evaluate all expenditures;
- OW management immediately increased our credit lines with different banks;
- At Oriental Weavers we took a number of steps to protect our employees while we worked to keep the business operating as safely as possible. A number of OW employees were working from home. We cancelled all external meetings and limited outside visitors from coming into our facilities. We've also took a number of steps to disinfect our offices and factories regularly.

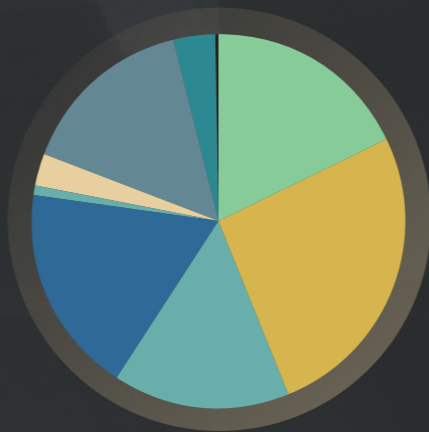


% Contribution to Total Sales by Value (EGP) in FY2020



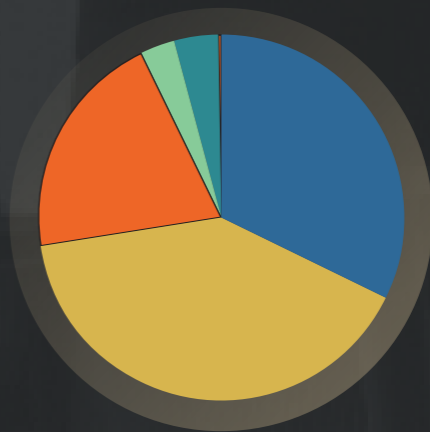
Woven Grade A	4%
Woven Grade B	20%
Woven Grade C	21%
OW USA	11%
Tufted Wall-Wall	4%
Tufted Pieces	25%
Non-woven felt	14%

% Contribution to Total Sales by Region in FY2020

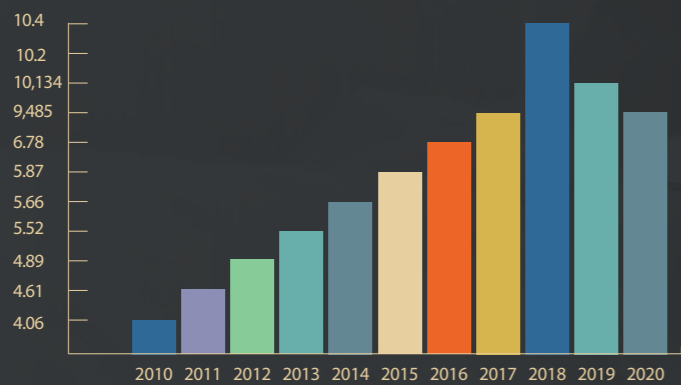


Woven Grade A	10%
Woven Grade B	29%
Woven Grade C	17%
OW USA	20%
OW China	0.1%
Tufted Wall-Wall	3%
Tufted Pieces	17%
Non-woven felt	4%
Other	0.4%

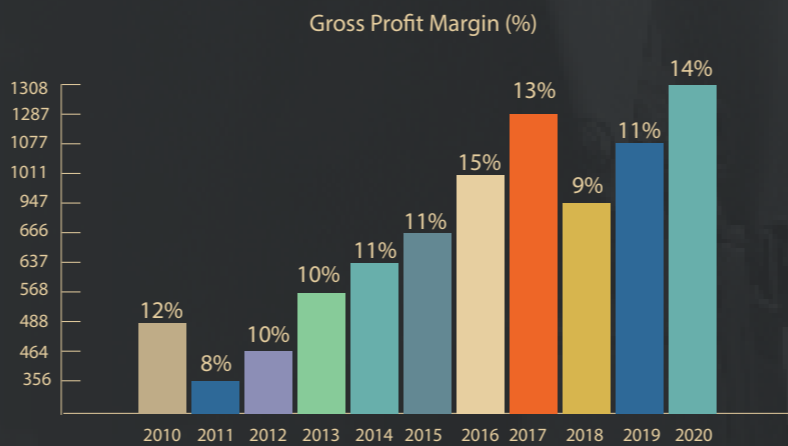
Sales by Destination



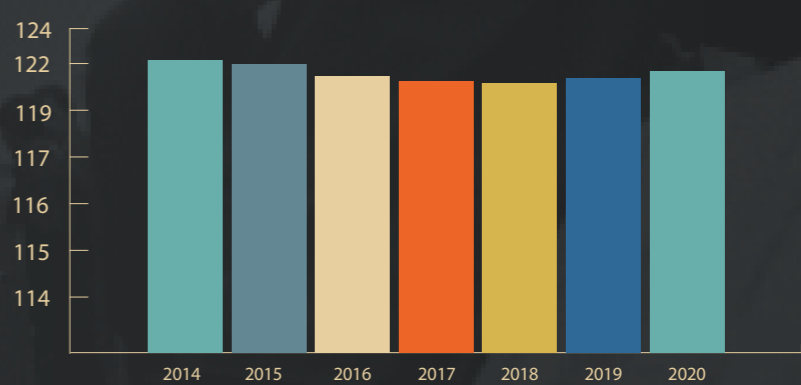
Local Sales	32%
U.S.A. and Canada	40%
Europe	20%
Africa and Asia	3%
Arab Region	4%
Russia and China	0.1%



Revenue Progression (Billion EGP)



Gross Profit (Million EGP)



Including sales volumes of OWUSA and OW China

2020

in Review

Even with the challenges that 2020 brought, OW managed to close the year with sales drop of only 6.4% y-o-y, reaching EGP 9,485 million, compared to EGP 10,134 million in 2019, as export revenues declined by a mere 2% in EGP terms (considering the appreciation in EGP); local sales declined by 13% y-o-y in 2020. Sales and margins were strong in most categories and markets, with most of our plants operating near capacity by the fourth quarter

OW witnessed an increase in revenues in 2H 2020 as a result of Oriental Weavers exceptional reaction, and adaptation, to the dynamic markets, and changes to consumers' needs and habits as influenced by the pandemic. For 2021, sales continue to gather momentum with secured orders received through 1Q 2022

Local Sales

2020 was a tough year, with the Egyptian market sales dropping 13% y-o-y from EGP 3.8 billion to EGP 3.3 billion in the 12-month period.

Our retail outlet sales (58% of total local sales) declined by 7% y-o-y in 2020, while wholesale revenues declined 23% as wholesalers were very cautious to order during the pandemic.

Our showroom expansion strategy remains on schedule with five new showrooms added during 2020 in Aswan and in eastern and western Egypt, in an attempt to reach a wide range of customers in the local market. For 2021, we are targeting to establish eight new showrooms across Egypt.

Local Online sales are still premature, improving gradually, given the culture of visiting showrooms and carefully examining our carpets, and the lack of internet availability at home among many customers. Our products are available on Carpets Online, Jumia, Souq, Homzmart, Manzzeli, Efreshli and FactoryToMe. Currently online sales contribute less than 1% of local sales, but management expects this percentage will increase radically in the coming years.

Export Sales

Revenues in the export market were stronger than anticipated declined only 2% y-o-y in 2020, reaching EGP 6.1 billion. In the second half, the residential demand recovered significantly faster than expected as people spent more time at home. Our inventory levels decreased in 3Q and 4Q as sales strengthened and production was already operating at capacity. We enhanced our market position with more aggressive sales initiatives and by providing more consistent service under difficult circumstances.

Our sales in America (through our U.S.-based subsidiary OW USA or through direct exports from Egypt) and Canada grew by 3% y-o-y in 2020. As a result of the new placements awarded with U.S. home center chains, new relationships producing exclusive private brand collections for furniture manufacturers, and the continued double-digit growth in the e-commerce segment. In 2020, we recorded LE 3.8 million in net sales to this region, which contributed 62% to the Group's exports' revenues.

In 2020 the major trend was online shopping, caused by consumer demand for home improvement. Amongst all our export countries, the U.S. market is the strongest player in the online shopping segment, driven by the young population. Online sales represent 20% of total export sales, mainly from U.S. and Europe, with 35% of U.S. total sales from online purchasing.

Our exports to Europe declined by only 6% in 2020, despite the closure of several key clients and lockdowns in the region in the first half of the year.

Our exports to the Arab region witness an impressive jump, increasing by 22% y-o-y in 2020 – resulting primarily from the Saudi Arabian market, as OW opened new sales channels in the country. OW is witnessing demand in the region that is surpassing capacity, which validates management foresight to increase capacity. Going forward OW will focus on expanding its presence in Dubai, Jordan, Kuwait, and Algeria.

The Tufted segment witnessed the biggest improvement in 2020, increasing export sales by 11% y-o-y in 2020, despite the pandemic. The export team in the tufted segment managed to secured orders from OW's North American customers and winning new placements and

programs with Walmart and Home Depot. Oriental Weavers hospitality export segment declined 22% y-o-y in 2020, this was a result of lower demand and sales in the hospitality segment due to the slowdown in hotel renovations worldwide caused by the pandemic.

Margins pressured on cost inflation

In FY 2020, the OW's net operating income increased by 37% to EGP 840 million. This mainly came as a result of the drop in raw material costs as average polypropylene prices declined 7% in 2020 (down to USD 1,026/ton from USD 1,103/ton in 2019), as COGS/Sales percentage declined to 86% from 89% in 2019.

The company recorded an overall net interest income of EGP 49 million in 2020, compared to a net interest expense of EGP 14 million in 2019. OW recorded a 34% increase in interest and treasury income as a result of the efficient utilization of our cash balance through investments in high yield treasury bills and interest-bearing current accounts. Our debt balance reached EGP 2,772 million versus EGP 2,227 million in 2019. As of December 31, 2020, our debt breakdown was 52% USD, 13% Euro and 35% EGP.

We recorded the following other revenues of EGP 563 million in 2020 compared to EGP 316 million in 2019:

1. EGP 482 million export rebate collection in accordance with the government's latest initiative;
2. A grant of EGP 73 million, was received by our U.S. facility from the U.S. Government. This was part of U.S. Government initiative to support companies to retain their workforce;
3. A grant from GEFF (Green Economy Financing Facility) for achieving energy saving standards with a value of EGP 6 million.

In 2020, impairment and provisions of EGP 226 million were recorded compared to EGP 121 million in 2019. In addition to, EGP 160 million for goodwill impairment was recorded, according to the goodwill impairment test, this marks the end of the goodwill impairment charges. Our effective tax rate approached 12% in 2020 compared to 11% in 2019, due to the lower earnings contribution from the tax-exempted entities. Annually, our FY 2020 earnings increased by 21% to EGP 937 million compared to EGP 774 million in FY 2019, supported by unprecedented export rebate collection figure.



Strategy
and Expansion Plans

■ **Increasing market share in the export market.**

OW management strategy in the export market is to sustain our client market base and expand on it, through opening new markets and catering new clients. OW plans to cater to our clients through product differentiation and better quality. OW will focus on expanding further in the Arab region to capitalize on the current demand from the region.

■ **Elevating customer experience in the local market**

Our showroom expansion strategy remains on schedule with five new showrooms opened during the year in Aswan, and eastern and western Egypt, in an attempt to reach a wide range of customers in the local market.

More importantly, OW began exploiting the shift in consumer shopping habits and increased online sales dramatically. Together, online shopping, and showroom accessibility, will facilitate consumer decision making and purchases.

For 2021, OW is focusing more on e-commerce, as management sees more potential in online buying and there is room for growth in that channel. OW is aiming at Enhancing the Group's online website and digitizing the stores. In addition to elevating the clients purchasing experience through enhanced displays and increased product variety. OW continued to target different income groups in Egypt by offering diversified product ranges and price points.

■ **Capitalizing on the strong OW Hospitality brand name**

OW Hospitality has thrived thanks to its wide network of both local and international clients – particularly, in Egypt, the Gulf area, Europe, and the U.S.A. By developing our products and services under the OW Hospitality umbrella along with other segments such as tufted guestrooms, we seek to further expand our global presence.

■ **Delivering returns for our shareholders**

We remain committed to creating value for our shareholders. Given our solid cash position, we managed to reward our shareholders strong dividend yields – consequently we have been recognized as one of the highest-dividend-yield companies in Egypt. Importantly, OW has been able to achieve this while simultaneously maintaining our organic growth.



We sell to reputable blue-chip retail companies based in North and South America, Scandinavia
and the rest of Europe, Australia, Asia and the Middle East



KEY RETAIL CLIENTS

2021



2021 Expansion Plan to satisfy the growing demand

Management has decided to undergo an expansion plan with expected CAPEX for 2021 in the range of \$26 million, which translates to a capacity increase of 3%. For the woven segment, nine new looms, with seven having already arrived, all directed to the local market demand. A state-of-the-art extrusion machine will also be added which will elevate efficiency and production to our vertically integrated system. On the tufted side, MAC installed an additional printing machine, and for non-woven segment, a new digital machine. This will address the impressive demand OW is witnessing and which management anticipate will continue.



New raw material
warehouse for
OW textiles



OW Textile new
Loom, started
production in 2Q



Our Business Segments

As a young man, Mr. Mohamed Farid Khamis had a vision to build upon Egypt's storied textile history, and in 1979 he did just that, establishing Oriental Weavers. In time, and with the recognition as a leader in carpet and rug manufacturing, the creation of the Oriental Weavers Group was the natural progression from an Egyptian success story to an international leader in the industry - becoming the world's largest manufacturer. With the passing of Mr. Khamis in late 2020, his daughter, and OW Chairwoman, Yasmine Khamis, is determined to continue his legacy, ensuring that Oriental Weavers remains profitable, productive, and that it continues to flourish both domestically and internationally.

Currently headquartered in the Tenth of Ramadan City, just outside of Cairo, the Group also operates additional manufacturing facilities in two countries, China and the United States, in addition to a wide distribution network with offices in Dubai and the UK.

There are three principal production process that the Oriental Weavers Group employs – weaving, tufting, and needle felting – each of which use their own unique and complex methodologies to produce the final woven, tufted, and non-woven products. The selection, preparation, and manipulation of the fibers has fueled the necessary innovations to meet and exceed the expectations of the ever-dynamic preferences of the consumers.

The Oriental Weavers Group is comprised of eight independently operating companies, each with its own mandate, management team, and scope. The eight entities operate in synergy with their peers allowing the Oriental Weavers Group to offer a wide variety of popular, award-winning products, in the local and international markets.





Woven

Our Woven division sells machine-made area rugs locally and internationally, manufactured at our state-of-the art facilities in Egypt, the U.S., and China.

Highlights

A design center of more than 45 dedicated fashion-oriented designers, in addition to over fifteen design companies worldwide;

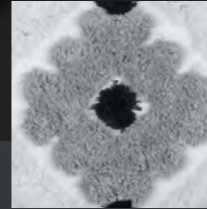
500 registered local industrial designs and yarn patents;

Broad product portfolio of over 2.5 million designs

A range of products for residential and commercial use.

70% of our production is carried out in Free Zone areas;

Exports of ~55% of turnover.



Tufted

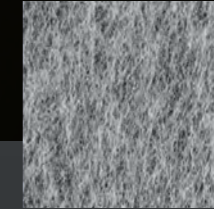
Our Tufted division sells printed wall-to-wall and area rugs in addition to artificial turfs, and carpet tiles produced at our factories in Egypt.

Highlights

With a design center of more than sixteen dedicated fashion-oriented designers;

A diversified product mix ranging from wall-to-wall, door and kitchen rugs, bathroom mats, children's rugs, to artificial turf.

Exports of ~75% of turnover.



Non-Woven

Our Non-Woven division sells needle felt products produced at our factories in Egypt.

Highlights

Broad product portfolio most commonly used for automotive applications, exhibition halls and foot-mats, etc.

Exports of ~35% of turnover;

PILLARS TO OUR SUCCESS

Strong Presence in the Growing Egyptian Market

With a market share of 85%, the OW Group is the leading carpets and rugs provider in the Egyptian market with local sales accounting for 33% of the Group's revenues in 2020. Our growth over the last four decades in Egypt has been supported by OW's ability to cater to all price points as well as the presence of a wide network of showrooms and distribution channels across the country. We continue to believe in the huge growth potential in the Egyptian market backed by the demographic factor, a population of over 100 million inhabitants, combined with a million marriages taking place annually. The growing middle class further contributes to positive forecasts for the company in the upcoming years. Newlyweds drive more than 70% of the Egyptian demand. With the prevalent housing gap, the real estate is one of the growing sectors in Egypt with a considerable number of new projects being launched by private real estate developers in the new satellite cities around Egypt. Furthermore, the Egyptian government plays a major role in the sector as it offers social housing to low-income families, while it continuously supports the development of new urban communities.



Local Online Presence

By visiting <http://carpetsonline.com> customers in Egypt can choose from a wide variety of products to be shipped to their doorstep within days. We are thrilled by the huge potential of this development. Our products are available on other online portals such as Jumia, Souq, Homzmart, Manzzeli, Efreshli and FactoryToMe. Currently online sales contribute less than 1% of local sales. OW management believes that online purchasing is the future and is focused on capitalizing on the online sales, while simultaneously improving the client purchasing in-store experience

Growing Business for OW Hospitality

In 2000, OW launched its Axminster line which represents an exclusive upgrade to our product range. The line was well received by the market worldwide. We successfully completed a number of installations in the U.S., Europe, the Middle East, and Egypt.

In North America, we refurbished carpets at a number of hotels, including:

- Fairmont Hotels – Pittsburg, San Francisco, Vancouver Airport, Washington D.C., and The Royal Oak considered as Fairmont's crown jewel;
- Four Seasons Hotel – Westlake, California;
- The Ritz Carlton – Charlotte, Bermuda, New Orleans, and Chicago.

In the UK, we refurbished carpets at the Odeon New Cinemas, and at the historic Marriott Grosvenor House, London.

We installed carpets at a number of projects in the UAE including Fountain View Towers 1, 2, and 3, Phase 2 of the Atlantis Hotel, and the Novotel Hotel, in addition to installations at the Shaza Hotel Al-Madinah, Mövenpick Anwar Al Madinah, Saudi Arabia, and the Hilton Hotel in Muscat.

Furthermore, our local hospitality segment successfully completed several installations at the Galala Coastal Hotel, Marriott Cairo Hotel, The Four Seasons Nile Plaza, and the InterContinental Citystars, in addition to the New Capital's 10,000 sqm mosque - the largest mosque in Africa.

Our local hospitality segment continues to secure local projects with hotels and government projects. They have successfully completed several installations in hotels this year, including the Fairmont Nile City, Four Seasons San Stefano and Cairo branches, Hilton Nile Towers, and the Pyramids Golf Resort, among others. Local hotels have been utilizing the decline in visitors, as a result of the pandemic, to renovate and/or upgrade facilities. Government projects include the Galala Resort - Ain el Sokhna, several projects in El Alamein, and in the New Administration Capital area. Heading into 2021 there are several projects in the pipeline in the New Administration Capital, mosques in Madinaty, and with several hotels and universities. The local hospitality segment sales increased 13% y-o-y in 2020.



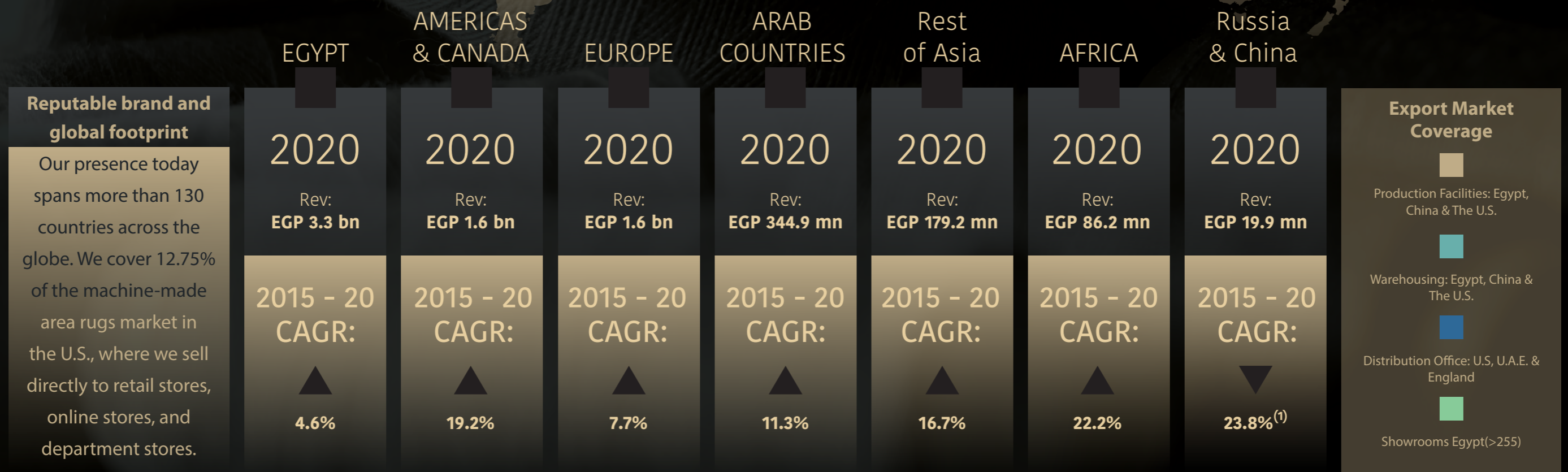


OW USA in Focus

U.S. Sales Fuel OW Growth

While OW has an international presence, the U.S. market contributes a significant 40% of the company's total sales. In addition to the OW facility in the U.S., we export from our local facility through B2B (Business to Business) business strategy. In 2020 sales to the U.S. witnessed an increase of 3% y-o-y, supported by impressive demand in the region. Consumer behavior shifted towards online purchasing, due to nationwide lockdowns, and OW's online presence fueled our recovery. OW foresees continued demand from the region that will sustain orders till 1Q 2022.

Expansive Global Footprint



⁽¹⁾ Decrease in exportys to China and Russia reflect trade disruptions resulting from the COVID-19 global pandemic

PILLARS TO OUR SUCCES

Vertically integrated Business Model

Vertically Integrated Operations

Fiber Extrusion



Weaving & tufting



Retail & Distribution



Oriental Weavers has complete control of the manufacturing process, from fiber extrusion to retail and distribution

Raw wool and polypropylene granules are sourced from suppliers in Egypt, New Zealand and the UK are converted into fibers and then spun into yarn.

OW's Carpets are woven at its facilities across Egypt, China and the US using a choice of more than 4 million copyrighted designs

Rugs are sold either locally through its 250+ showrooms across Egypt and internationally through a list of prominent agents.

Our Inputs

Financial Capabilities

Significant capital investment in manufacturing facilities enables us to expand our product portfolio, technical capabilities, and geographic exposure.

Efficient workforce


We have a highly skilled, diverse and efficient team of more than 17,000 people. Through continuous training of our staff, and the hiring of new talent, is key to our continued success.

Secured feedstock and well-established clientele base

We have longstanding relationships with major international home furnishing stores, big box retailers, suppliers of ecommerce platforms and department stores. In addition, OW has a secured sources of the raw materials from an Egypt-based producer.

Committed workplace

We are committed to conducting business ethically, and strive to achieve the highest of quality standards.



Our production model “is one where the company produces to order, not produce to stock.” Oriental Weavers is a tailor-made manufacturing facility, dealing with the world’s largest wholesalers, importers and retailers. They make their choices from the very vast range that is made to cater to the different tastes of the world. OW has two design studios in Egypt and another in the U.S. The studios in Egypt are subdivided to cater to the different tastes and needs in Europe, the U.S., Australia, South America, Africa, the Middle and Far East, and Egypt. This enables the company to offer consumer-focused products to each market as needed. OW also modifies designs and creates individual collections for our dedicated clients”

Development and Innovation

We continue to develop broad and differentiated ranges of high-quality products with new designs introduced every two weeks. The product diversification is an important cornerstone of Oriental Weavers’ strategy, which allows the Group to stay on top of the market trends and achieve a sustainable and an organic growth narrative

Progressive Expansion Plans and Strong Customer Focus

It would be an understatement to write that the group has grown significantly since its establishment in 1979. Forty-two years ago, our Founder started with just one operating loom. Today, the Group is a fully vertically integrated conglomerate comprised of eight independently operating companies, each with its own mandate, management team, and scope.

At Oriental Weavers, we control the entire manufacturing process, starting with sourcing a majority of our polypropylene granule needs, via The Egyptian Propylene and Polypropylene Company located in Port Said. The integration of the multifaceted production processes secures the stability of the main feedstock and reduces the stocking period along with warehousing costs. In the next stage, we convert the granules to yarn to produce rugs and carpets for sales through our retail outlets in the local market and via our international agents.

Given the short lead time, we have a competitive advantage which allows us to maintain a leading presence in key markets and strategically position us to capture opportunities in a dynamic market environment.

We have an extensive and well-established manufacturing footprint. We produce 90% of our volumes in our factories in Egypt, while 10% of our goods are produced in our factories in Dalton, Georgia, in the USA, and in Tianjin, China.

Oriental Weavers just does not do small-scale: The Egyptian producer of machine-made carpets and rugs offers an enormous range of tailor-made collections for wholesalers, importers and major retailers in over 130 countries worldwide. Now the company has big expansion plans, investing heavily in new machinery to diversify its product range even further.

Innovative Research and Development team and a large, differentiated pipeline

Innovation is an important cornerstone of Oriental Weavers’ success, which allows the Group to stay on top of the market trends and achieve sustainable and organic growth. With a design team comprised of 46 designers, and freelance designers, we have a broad portfolio of products, with over 2.5 million designs, developed

exclusively for our customers.

Shrewd Export-oriented Management Team

The OW management team has had a long history of developing and enhancing its strong export growth. Over the last 30 years our woven exports from Egypt grew from USD 9.2 million in 1988 to USD 270 million in 2020.

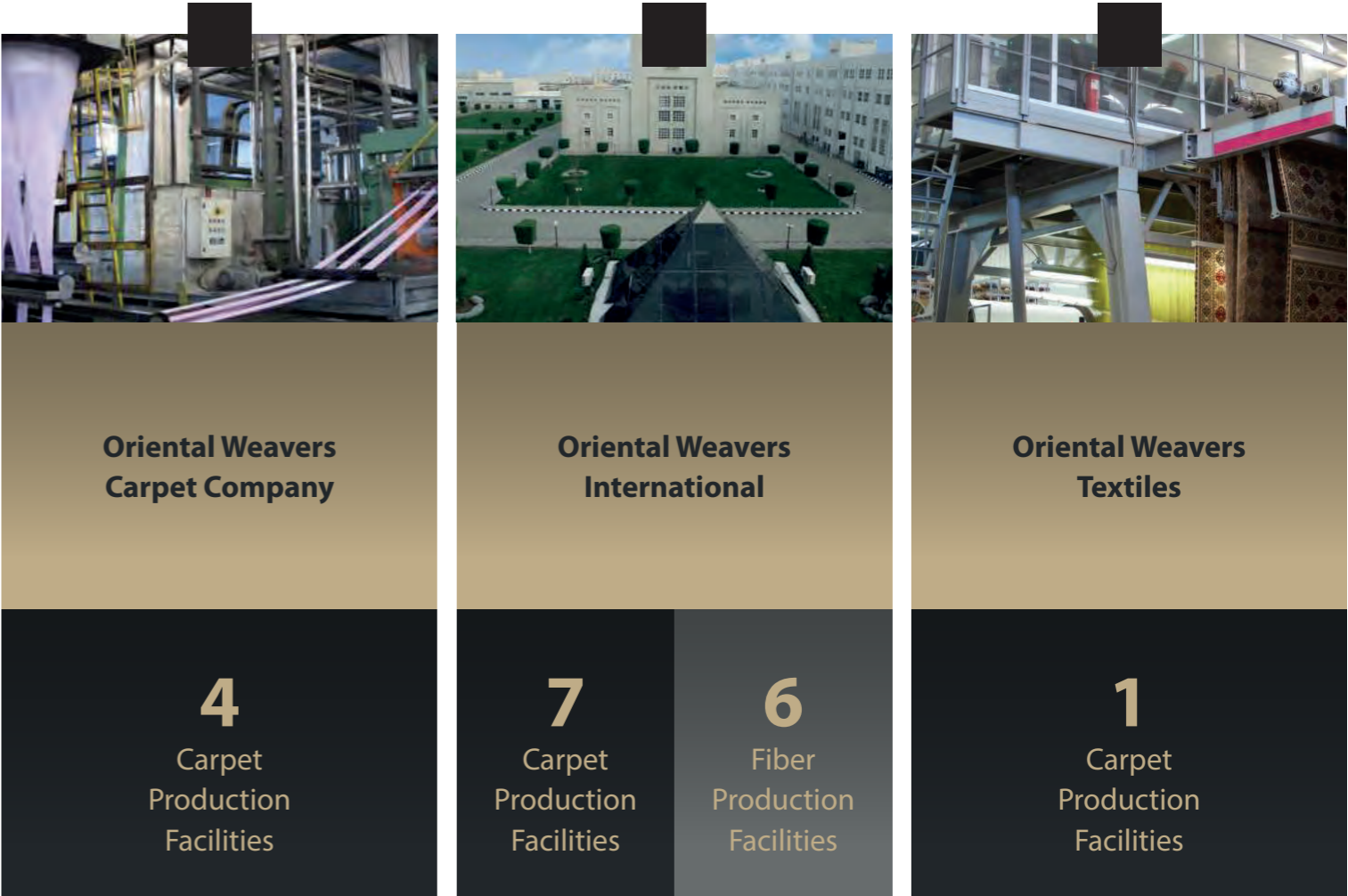
Manufacturing and Quality Control

We are committed to maintaining the standards for which we are known in all of our manufacturing facilities. We manage the manufacturing process of our 34 factories through our vertically integrated facilities that are accredited with IWAY certificates, ISO14001 and ISO9001. Oriental Weavers’ production rests on three key processes – Weaving, Tufting, and Needle Felting. The technically challenging production processes developed are overseen with focus and patience to ensure that quality and efficiency are interwoven.

Sizeable Capacities Under One Roof

With close to 150 million sqm of capacity of soft floor covering, OW is considered the largest manufacturer in the world in the machine-made area rugs.

Woven Segment Annual Capacity | 76m m2



Woven Segment Annual Capacity | 76m m2



United States
Production Facility

1

Carpet
Production Facilities



China Production
Facility

1

Carpet
Production Facilities

Well-Invested Production Facilities

Tufted Segment



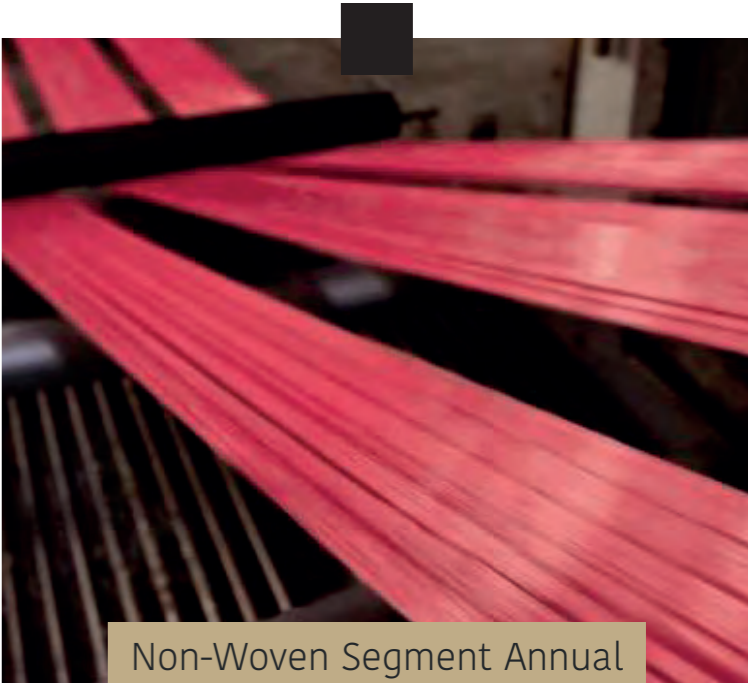
Tufted Segment Annual
Capacity | 47m m2

MAC Carpet
"Fiber Factory"

4

Production Facilities

Non-Woven Segment



Non-Woven Segment Annual
Capacity | 23m m2

Egyptian Fibers
Company



Raw Materials

2

Production Facilities

Efficient Risk Management

Given the nature of the business and our wide export presence, OrientalWeaversishighlyexposed to foreign currency fluctuations, interest-rate movements along with volatility of raw material prices and collection hazards. In this regard, we closely monitor the risks to which we are exposed, and have set the correct policies in place to minimize them.

1

Foreign currency fluctuations:

To minimize risks, Oriental Weavers worked hard to secure a naturally hedged cash flow with regard to foreign currency exposure where the proceeds now in foreign currency match the expenditures. Our treasury team managed to secure forward deals to benefit from the differences between the forward rate and the prevailing market rate at maturity.

2

Interest Rate Movement:

Most of the company's expansions and working capital needs are financed with foreign currency denominated medium-term loans (MTL) and short-term facilities, respectively. Meanwhile, local-sale proceeds in Egyptian Pounds are invested in Treasury Bills and time deposits. Our debt balance reached EGP 2,772 million versus EGP 2,227 million in 2019. On December 31st, 2020, our debt breakdown was 52% USD, 13% Euro and 35% EGP.

3

Raw Material Prices:

In 2020, main raw material prices were under pressure due to COVID-19 pandemic. This was in our favor and enabled us to record higher margins. Heading into 2021 we were faced by an increase in polypropylene prices but we managed to raise the contractual amounts of the main raw materials. We are still studying different options to manage the volatility of polypropylene prices, but the risks of any unfavorable price movements of the main raw material have to be carefully examined.

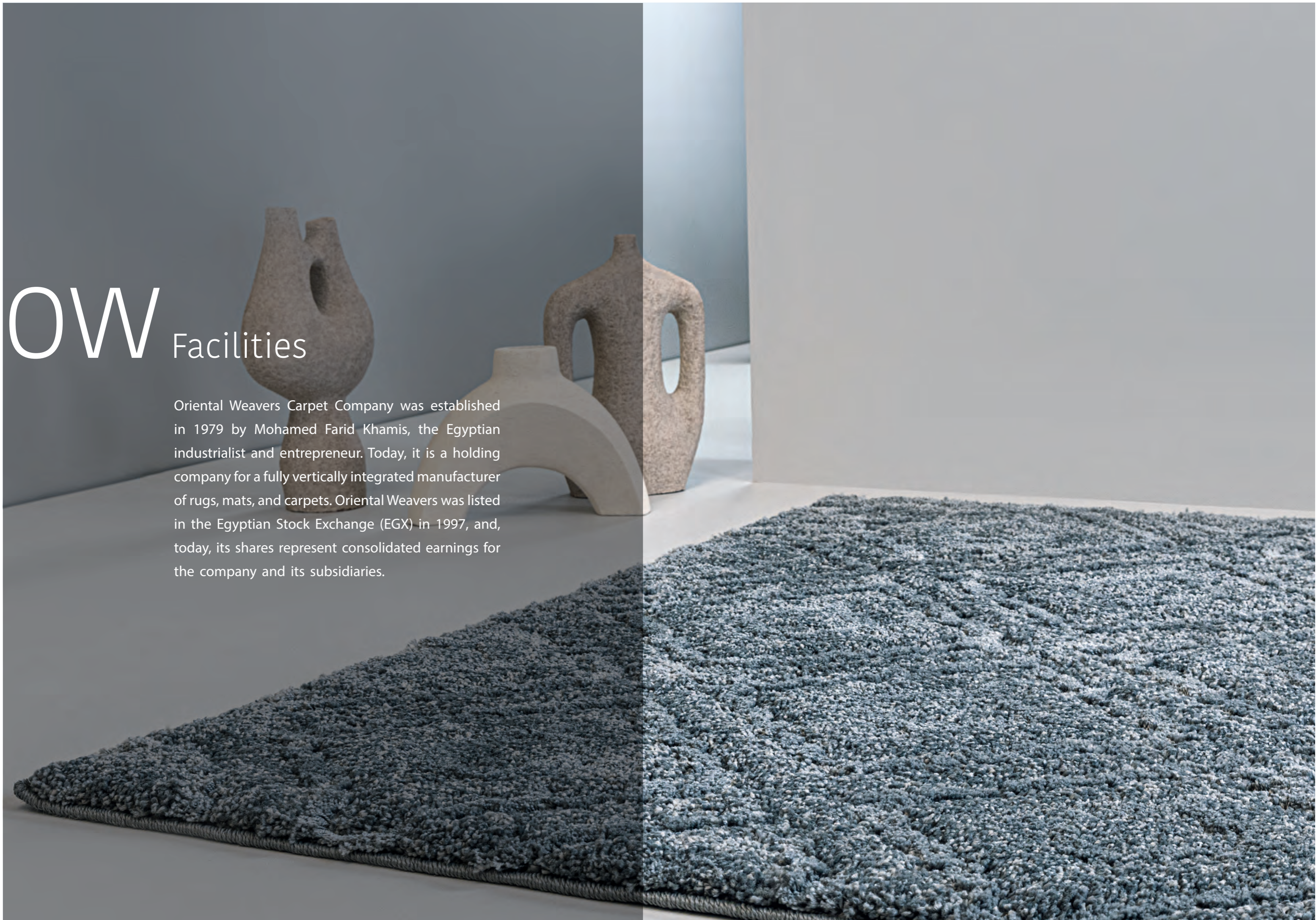
4

Collection Hazards:

Dealing with over 650 customers in more than 100 countries requires us to set stringent policies in place to secure our collection in a timely manner. As 95% of our receivables are covered through export guarantee agencies, a minor portion is absorbed internally or covered in advance in moderate to high-risk markets.

OW Facilities

Oriental Weavers Carpet Company was established in 1979 by Mohamed Farid Khamis, the Egyptian industrialist and entrepreneur. Today, it is a holding company for a fully vertically integrated manufacturer of rugs, mats, and carpets. Oriental Weavers was listed in the Egyptian Stock Exchange (EGX) in 1997, and, today, its shares represent consolidated earnings for the company and its subsidiaries.



Woven Segment

Five companies are engaged in the manufacturing of woven products, three of which are in Egypt, one in the U.S. and another in China. OW produces three grades of machine-woven carpets and rugs (A, B, and C). In the weaving process, the surface yarn is inserted and intertwined with the backing yarn, which consists of jute weft threads (horizontal) and warp threads (vertical). The warp threads are made of jute, cotton, viscose or polypropylene. OW Hospitality, another division within the group, produces unique-woven broadloom products. The company is well-established in the U.S., European, and Asian markets with its offices in the UK, U.S., Egypt, and the United Arab Emirates.

Oriental Weavers International

Oriental Weavers International (OWI) was established in 1998 as an export - oriented, private free trade zone company in the Tenth of Ramadan City, Egypt. The company's vertically-integrated facilities handle the extrusion of synthetic fibers, dyeing, and spinning wool as well as the weaving and finishing of products. The company's diversified product mix related to residential and commercial use include carpets, rugs and upholstery (Gobelin). OWI's main export markets include North and South America, Europe, the Middle East, Asia and Australia. OWI owns a 79% stake in Oriental Weavers (Tianjin) company Ltd, China, with an eye on expanding its current share in the emerging Asian market. In late 2014, a new fully automated yarn production facility, the King Tut, started its operations with a production capacity of 100 tons per day.

Oriental Weavers Textiles

Located in a private free zone area, Oriental Weavers Textiles is another export-oriented subsidiary to OW. The company owns a sizeable vacant land, which can be utilized for future expansion initiatives of the OW's woven segment. In the area, the company launched the first phase of its expansion plan by constructing a new plant and adding eleven state-of-the-art manufacturing looms since 2017.

Oriental Weavers USA

Oriental Weavers USA is based in Dalton, Georgia. It manufactures, markets, and distributes products imported mainly from the company's Egyptian plants besides other Asian countries. Oriental Weavers USA sells the products to its mass market merchants and big-box retailers, as well as to independent retailers, furniture retailers, catalogues, and various department stores. The online sales segment to major home-furnishing portals such as Target, Kohl's, Amazon, Wayfair, and Rugs Direct has been very successful in recent years, contributing almost 20% to the company's net sales.

Oriental Weavers (Tianjin) Company Ltd., China

Oriental Weavers - China was established in 2006 in response to the growing demand for woven products in China and other East Asian countries. OW China manufacturing facilities occupy 140,000 m² of land in the Tianjin industrial zone, 80 kilometers south of Beijing. The producer is a vertically-integrated facility with fiber extrusion and rug and carpet manufacturing facilities.

Tufted Segment

There are two companies that operate in the tufted segment in Egypt; MAC, and its private free zone subsidiary, New MAC. In the tufting process, the yarn is fed into a primary backing, followed by a design, printing, and an anchor coat of adhesive material is applied to hold the tufts in place. A secondary backing is then added to guarantee the carpet's solid form.

MAC Carpet "Fiber Factory"

MAC Carpet "Fiber Factory" is Oriental Weavers' foothold in the tufted carpeting segment and a leading Egyptian exporter to more than 100 countries, supplying some of the world's largest retailers. MAC has a diversified portfolio from wall-to-wall carpeting, to door and kitchen rugs, to rubber backed bathroom mats, to multilevel textured mats for outdoor applications, as well as car mats, children's rugs and mats, scatter rugs, and club rugs. MAC also manufactures three-dimensional advertising floor panels, runners, and artificial turf for indoor and outdoor applications. In 2018, MAC expanded its portfolio with new digital printing products that are widely appealing to major markets and in 2019, the company has added an ultrasonic cutting machine to penetrate the carpet tiles segment. MAC runs four manufacturing sites in Egypt, all in the Tenth of Ramadan City. The company also owns a 98% stake in its subsidiary, New MAC, a tufted manufacturing facility, operating in a private, free-zone area.

Non-Woven Segment

Egyptian Fibers Company (EFCO) is the Group's unique manufacturer of non-woven felt and it is one of the leading non-woven carpet manufacturers in the world. In the non-woven segment, the fibers are bonded together through chemical and thermal treatments.

Egyptian Fibers Company (EFCO)

EFCO exports its high-quality products to more than 67 countries worldwide. The company specializes in the production of the master batch, polypropylene staple fiber, and needle felt carpets, including wall-to-wall carpeting of various weights with customized widths of up to four meters; indoor/outdoor rugs; patterned, printed, engraved, and embossed mats; underlay rolls and rug pads; car mats; and bath mats. EFCO uses the latest production technologies to offer high quality products that comply with international standards.

Stock Performance & Corporate Action

ORWE, one of EGX30 constituents, declined by only 2.67% in 2020, given that EGX 30 declined by 22.3% - maintaining a stable dividend yield, in a turbulent year. ORWE constantly provides investor attractive dividend yields that is currently in line with Egyptian banks deposit rates.



2020 corporate Action

An AGM held on 17th April 2019, approved the capital increase from EGP 443 million to EGP 665 million, financed by the companies reserves. This was distributed on 221 million shares, with a par value of LE1. This was done through a 1:1 stock dividend for shareholders through 18th March 2020.

OW's Stock Performance in 2020

During 2020, Oriental Weavers' Investor Relations department continues to take part in national and international virtual investor conferences, with the participation of the senior management, meeting over 70 international and local investment funds. In 2020, Oriental Weavers ensured that its senior management and the investors' community are brought together regularly via quarterly conference calls, one-on-one meetings, all done virtually due to COVID-19.

Due to the COVID-19 pandemic, stock markets across the globe took a sever hit, but thankfully OW made a strong recovery in 4Q, given the strong demand that we witnessed in the global carpet market. On 18th of March 2020 there was a stock dividend 1:1, that had an impact on the stock price. While OW stock recorded a low in 2Q 2020 due to the pandemic, it has since rebounded. By 4Q 2020 OW received a bulk of the export rebate backlog accounting to EGP 482 million, which impacted the stock positively, this was coupled by a steady revenue growth

In 2021 the stock is up 21% YTD through 28th July 2021. This is supported by the anti-dumping fees that was applied on the imported Turkish carpets, which is OW main competitor in the local market. In addition to an incredible sales growth and all-time high margins. OW management is expecting sales growth to continue, given the strategy of capturing ne markets, and the change in consumer behavior through purchasing online.

Senior management, along with the Investor Relations team, work tirelessly to ensure that investors are informed of the company's current programs, and its vision for the future, always. This exchange of information through conferences, meetings, press releases, and presentations, in addition to an updated well-maintained website and a yearly annual report, ensures that the investors can confidently make informed decisions in a timely manner.

Equity Analysts' Ratings

Oriental Weavers is widely covered by the leading research houses both domestically and internationally. Currently, eight institutions regularly follow the company and issue research reports.



Health Support

Oriental Weavers supported a number of activities of several nonprofit organizations in Egypt such as various medical institutions and governmental hospitals. OW strongly believes that the most vulnerable people have the right to equal opportunities including the access to suitable healthcare to break the vicious circle of poverty, vulnerability, and disease. OW is, therefore, convinced that the private sector must step in to assist the at-risk population to become healthy and empowered, and establish viable communities.

Education Development

Oriental Weavers recognizes the importance of high-quality education. OW Sponsored ENACTUS, one of the leading programs worldwide that helps university students to start up their own small development projects.

Community Support

Oriental Weavers donated a substantial amount to the Tahya Masr Fund which supports community development programs across Egypt by facilitating large projects initiated by the government. This, in addition to OW's donations to several orphanages and NGOs in different governorates.

Social Support

OW donated blankets, food boxes, and Ramadan iftar meals directly and through many civil societies groups and organizations. In addition, the company provided transportation services for students from the Tenth of Ramadan City commuting each day to their respective universities in Cairo and surrounding cities in different governorates.

Sustainable Business

OW has always tried to address the environmental impact of its business. We focus on saving energy, reducing water consumption, and ensuring proper waste disposal. We implement an efficient business model throughout our production process in compliance with the local and international standards. Our belief in a clean environment led OW to work extensively and set measures towards strategies that limits pollution while raising awareness which could help minimize the causes of air pollution in Egypt. OW uses adaptable air pollution solutions to enhance our health and improve air quality especially at the industrial zone in the Tenth of Ramadan city. A few of the solutions and practices are as follows:

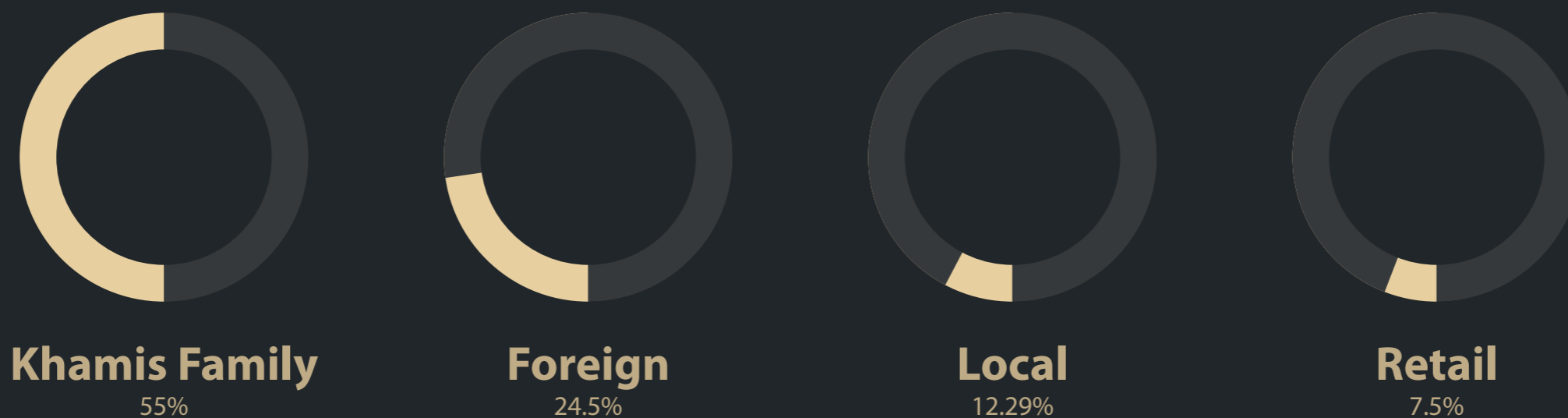
- In 2019, Oriental Weavers won Best Energy Performers Corporate Award under Green Economy Financing Facility (GEFF) initiative, the company has been recognized for their contribution to significant reductions of greenhouse gas emissions and the transition to a green economy. Through this initiative Oriental Weavers managed to save 42,000 MWh/year and 7,600 tons of CO2;
- Based on our related targets in 2020 OW had achieved energy savings of 26,000 Mw/hr, representing 13 % of our energy consumption, and reduced CO2 emissions by 12,000 tons;
- A new department for energy efficiency and environmental sustainability has been established;
- Oriental Weavers is now using solar powered lights, enhanced with movement sensor capabilities, for better efficiency;
- As part of our environmental and social responsibility, Waste Management was applied in Oriental weavers using the 3 R's methodology (Reduce – Reuse – Recycle) and up to 30 % of the generated solid waste are recycled internally.
- Responsible water consumption and zero liquid discharge are also carefully monitored;
- In cooperation with OUD (oriental holding real-estate arm), Oriental Weavers adopted tree planting to offset Carbon Dioxide emissions.

Sustainability Achievements:

CO2 reduction:	Offset CO2:	Total carbon reduction:	Energy saving:	Number of trees planted:
12,000 tons	8,770 tons	20,770 tons	26,000 MW/h	40,290

Shareholding Structure

There are 4,900 shareholders in the company with the shareholding structure, as of March 30, 2021, as follows:





OW Leadership

Board of Directors

The Board of Directors of Oriental Weavers, with a diversified managerial background, is dedicated to successfully guiding the company into the future, enhancing shareholder value and ensuring the long-term prospects of the world's largest and fastest-growing carpet and rug producer.



Ms. Yasmine Mohamed Farid Khamis
Chairwoman

Throughout her extensive career in marketing , Ms. Khamis has held numerous executive positions within the Oriental Weavers Group, serving as a board member and Director in a number of the group's subsidiaries. After completing her Bachelor of Mass Communications at the American University in Cairo, Ms. Khamis went on to study color theory and design at the prestigious Pratt Institute, New York City, U.S.A. She also studied accounting and fiber materials at the University of North Carolina, U.S.A.



Mr. Salah Abdel Aziz Abdel Motalab
CEO & Managing Director

Mr. Abdel Motalab joined Oriental Weavers in 1997 after serving in the armed forces where he held high level administrative positions. Over the course of his twenty plus years with Oriental Weavers, Mr. Motalab has held numerous top-tier planning and administrative positions such as heading the projects and contracts department and subsequently the planning department. As Head of Planning, Mr. Motalab spearheaded Oriental Weavers' expansion program and he continues to do so as the Chairman and CEO of the company.



Ms. Farida Mohamed Farid Khamis
Board Member; Vice Chairman
of Corporate Finance

Ms. Khamis serves as the Deputy Chairman of Finance at Oriental Weavers, bringing with her a great deal of experience in investor relations. She also serves as an executive board member for several of Oriental Weavers subsidiaries. Ms. Khamis earned her Bachelor of Business Administration from the American University in Cairo. She subsequently completed training sessions at Citibank in New York, U.S.A, and with EFG Hermes, Egypt. Ms. Khamis is a member of the Young Presidents Organization (YPO) and has been involved participated with the organization at both regional and international levels. She has an extensive background working with in Non-Governmental Organizations as she is the Chairwoman of the Khayrazad for Social Care since 2007.

Eng. Mohamed Mahmoud Fawzy Khamis

Executive Board Member; Vice Chairman of Local Sales

Mr. Khamis serves as the Deputy Chairman for Financing and Domestic Sales at Oriental Weavers. His twenty years of experience with the company has driven the extensive development of Oriental Weavers' domestic distribution network, leading to a marked increase in the company's domestic market share. He is a graduate of the Textile Technology program of the University of North Carolina, U.S.A., where he also focused on operations management and domestic sales.

Eng. Amr Mahmoud Fawzy Khamis

Executive Board Member; Vice Chairman of Manufacturing and Operations

Mr. Khamis serves as the Deputy Chairman for Operations and Production at Oriental Weavers. During his long career with the company, Mr. Khamis has been instrumental in developing and expanding the operations of Oriental Weavers, as he was intricately involved in supply chain and production management, in addition to his involvement in planning, sales and marketing activities. Mr. Khamis joined Oriental Weavers after receiving his degree in Textile Technology from the University of North Carolina, U.S.A.

Mr. Mahmoud Amin Saad

Executive Board Member; Director of International Operations

With over 25 years of experience in exports at Oriental Weavers, Mr. Amin serves as the head of the Exports Division at the company. In his capacity as division head, Mr. Amin, oversaw the company's expansion in export markets from one to over 100, by strengthening the transportation and distribution infrastructure throughout the group's diverse footprint. Mr. Amin has also been heavily involved in product development and marketing, as evident in his work at the Domotex Exhibition. His contribution also extends to developing financial systems within the company, as well as training and employee development, shipping and logistics. Prior to joining Oriental Weavers, Mr. Amin held numerous high-level administrative positions as an officer in the Egyptian Armed Forces from 1966 - 1982.

Mr. Mohamed Katary Abd Allah

Executive Board Member; Director of Financial Affairs

Mr. Abdullah serves as the Director of Finance at Oriental Weavers after 30 years of financial management experience within the company. In his capacity as one of the leading fiduciary officers of the company, his contributions to secure the company's financial position while helping transform the company into one of Egypt's leading corporations cannot be understated.

Eng. Medhat Hussein

Executive Board Member

His long career in the group began in 1986. During his 30-year tenure in the company, Eng. Hussein occupied a number of key managerial positions within the group including the Head of Quality, Health, Safety and Environmental Department, the Group Procurement Director, and the Head of the Design and Engineering departments.

Mr. Mahmoud Fawzy Fouad Khamis

Non-Executive Board Members

Professor Wadouda Abd El

Rahman Badran

Prof. Badran is the Dean of the Faculty of Business Administration, Economics and Political Science, British University in Egypt since November 2013. Since 1991, Prof. Badran has been a professor of Political Science at the Faculty of Economics and Political Science, Cairo University. She was also the Cultural Counselor and Director at the Egyptian Embassy, London, U.K. Prof Badran holds a PhD in Political Sciences from Carleton University, Ottawa, Canada and earned her bachelor's degree from the Faculty of Economics and Political Sciences, Cairo University, Egypt.

Mr. Seif El Din Awni

Non-Executive Board Member representing Misr Life Insurance.

Mr. Khaled El Said Ahmed Mohamed

Non-Executive Board Member representing Misr Insurance Holding Company.

El-Sayed Moatasseim Ibrahim RashedMohamed

Joining the OW board in 2014, Mr. Rashed worked as an economic consultant for various entities and corporations: The Egyptian Cabinet; Immigration and Egyptians Abroad Minister; Secretary General of Social Fund for Development, Sharkia and Cairo Governorates; Economy and Foreign Trade Ministry; and the Economy Union and Office Manager of Secretary General of the Arab League.

He worked also as the Undersecretary, Head of the Central Dept. of Investors Societies (GAFI).

Mr. Mohamed Mohamed Ali Amer

Prior to joining Oriental Weavers Group as Deputy Chairman in 1997, Mr. Amer worked extensively in the domestic and international banking sectors for 35 years. He received his bachelor's degree of Commerce and Bank Management from Ein Shams University, Egypt, and his master's degree of Finance from Cairo University, Egypt.

Mr. Mohamed Mohamed Farid Khamis

M. Mohamed Farid Khamis graduated from the British University in Egypt with a bachelor's degree in Marketing. He has held numerous positions at Oriental Weavers becoming Vice-President from 2009 to 2011. He was heavily involved in launching investments in technology and recalibrating warehouse logistics. He was then appointed in 2011 as Vice-Chairman of "Orientals for Urban Development" where he has led the Company to be one of the leading real estate developers in Egypt. He has overseen the launch of projects in Cairo and the Red Sea covering the real estate, tourism and agricultural sectors. He has also been a driving force in creating sustainability initiatives across the portfolio of developments that the in which the company is involved. He is involved in several philanthropic initiatives focusing on educational programs, social care, and healthcare funding, including the M. F. Khamis Foundation, the Al-Azhar Khamis Advance Schools, the Khamis Healthcare Institution, and the Khamis Limited Income Support Foundation.

AUDITOR'S REPORT TO THE SHAREHOLDERS OF ORIENTAL WEAVERS CARPETS COMPANY

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Oriental Weavers Carpets Company (S.A.E) which comprise of the consolidated statement of financial position as of December 31, 2020 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. We did not audit the financial statements of Oriental Weavers Company - United States of America and Oriental Weavers Company – China. Which statements reflect total assets and revenues for these companies constituting 10.78% and 19.09% respectively, of the related to consolidated totals. The financial statements of Oriental Weavers Company- United States of America and Oriental Weavers Company – China were audited by other auditors whom issued unqualified audit reports dated February 19, 2021 and January 22, 2021 respectively. Our opinion, insofar as it relates to amounts included for these companies, is based on the reports of the other auditors.

Management responsibility for the consolidated financial statements

Management is responsible for the preparation and

fair presentation of these consolidated financial statements in accordance with Egyptian Accounting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Egyptian Auditing Standards and in the light of prevailing Egyptian laws. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments

, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Oriental Weavers Carpets Company (S.A.E) as of December 31, 2020 and of its consolidated financial performance and its cash flows for the year then ended in accordance with Egyptian Accounting Standards and in compliance with related Egyptian laws and regulations.

Emphasis of matter

Without qualifying our opinion, as described in Note

No.(31) of the accompanying notes of the consolidated financial statements regarding significant events, Countries all over the world including Egypt have faced the spread of coronavirus which had a huge impact on the economy as a whole. Most probably this will lead to a decrease in the Economical activities on the upcoming period. This may have a material impact on certain balance of the assets, liabilities and the operation outcome in the next period. It is not possible to calculate the effect of these events on the meantime. Hence, the information is solely based on the forecasting conducted for the time period that these events are occurring and when it is projected to end as well as the aftermath that follows.

Cairo : February 25, 2021

Tarek Salah

B.T. Wahid Abdel Ghaffar & Co.

Public Accountants & Consultants

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Consolidated statement of financial position as of December 31, 2020

(All amounts are in Egyptian Pounds)

	Note		
	No	31/12/2020	31/12/2019
Non current assets			
Fixed assets	(6)	4 216 263 559	4 473 925 087
Projects in progress	(7)	141 219 818	204 947 831
Investments available for sale	(8)	115 712 681	117 715 509
Goodwill	(9)	--	159 933 791
Total non current assets		4 473 196 058	4 956 522 218
Current assets			
Inventory	(10)	3 195 002 920	3 341 649 791
Trades and notes receivable	(11)	1 723 532 941	1 591 551 637
Debtors and other debit accounts	(12)	346 027 455	288 023 011
Treasury bills	(13)	2 022 461 803	845 396 719
Cash at banks and on hand	(14)	903 944 836	453 772 002
Total current assets		8 190 969 955	6 520 393 160
Total assets		12 664 166 013	11 476 915 378
Equity			
Issued and paid up capital	(15)	665 107 268	443 404 845
Reserves	(16)	1 487 171 611	1 665 292 366
Retained earnings		348 205 426	210 068 714
Net profit for the year		937 439 232	774 770 772
Exchange differences arising on translation of financial state- ments		3 545 557 360	3 634 647 595
Total equity attributable to the parent company		6 983 480 897	6 728 184 292
Non controlling interest	(17)	947 070 135	823 849 414
Total equity		7 930 551 032	7 552 033 706
Non current liabilities			
Long term loans	(18)	206 519 835	230 407 654
Housing and Development Bank loan	(19)	40 279	61 476
Deferred tax liabilities	(21)	144 480 747	141 176 804
Total non current liabilities		351 040 861	371 645 934
Current liabilities			
Provisions	(22)	90 027 046	61 745 858
Banks-Credit accounts	(23)	2 466 304 868	1 886 686 082
Long term liabilities-Current portions	(20)	99 495 787	110 196 514
Suppliers and notes payable	(24)	846 744 721	832 796 884
Dividends payable		9 804 780	7 799 372
Creditors and other credit accounts	(25)	741 977 979	566 012 034
Tax payable		128 218 939	87 998 994
Total current liabilities		4 382 574 120	3 553 235 738
Total liabilities		4 733 614 981	
Total equity and liabilities		12 664 166 013	11 476 915 378

The accompanying notes from №.(1) to №. (31) form an integral part of these consolidated financial statements.

Auditor's report attached.

Chairman	CEO	CFO & Board Member
Yasmin Mohamed Farid Khamis	Salah Abdel Aziz Abdel Moteleb	Mohamed Kattary Abdallah

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Consolidated statement of income for the financial year ended December 31, 2020

(All amounts are in Egyptian Pounds)

	Note		
	No	31/12/2020	31/12/2019
Net sales		9 484 628 928	10 133 640 844
:Less			
Cost of sales		8 176 729 195	9 056 876 237
Gross profit		1 307 899 733	1 076 764 607
:(Add / (less			
Financial investments revenues		--	7 992 345
Capital gain		6 368 015	15 129 496
Other revenues		563 213 175	315 968 451
Treasury bills returns		131 346 570	54 066 734
Interest income		21 527 688	59 702 385
Distribution expenses		(141 533 109)	(125 442 298)
General and administrative expenses		(326 497 397)	(339 380 372)
Formed provisions and impairment		(225 845 613)	(120 736 281)
Financing expenses		(104 079 183)	(128 130 231)
Foreign exchange differences		37 224 542	146 105 967
Net profit for the year before income tax		1 269 624 421	962 040 803
(Less):			
Current income tax		(154 679 705)	(103 264 620)
Deferred tax		(3 007 834)	(3 697 506)
Income tax for the year		(157 687 539)	(106 962 126)
Net profit for the year after income tax		1 111 936 882	855 078 677
:Attributable to			
The parent company		937 439 232	774 770 772
Non controlling interest		174 497 650	80 307 905
		1 111 936 882	855 078 677
Basic earnings per share in the separate financial statements	26	0.75	0.99

The accompanying notes from №.(1) to №. (31) form an integral part of these consolidated financial statements.

Chairman	CEO	CFO & Board Member
Yasmin Mohamed Farid Khamis	Salah Abdel Aziz Abdel Moteleb	Mohamed Kattary Abdallah

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)
Consolidated statement of comprehensive income for the financial year ended December 31, 2020
(All amounts are in Egyptian Pounds)

		31/12/2020	31/12/2019
Net profit for the year		1 111 936 882	677 078 855
Other comprehensive income			
Changes in fair value of available for sale investments		(86 151)	846 86
Translation exchange differences		(100 691 073)	(743 230 618)
Total other comprehensive (loss) after tax		(100 777 224)	(618 143 897)
Total comprehensive income for the year		1 011 159 658	780 934 236
:Attributable to			
The parent company		848 277 765	475 487 204
Non controlling interest		162 881 893	305 447 32

The accompanying notes from №.(1) to №. (31) form an integral part of these consolidated financial statements.

Chairman	CEO	CFO & Board Member
Yasmin Mohamed Farid Khamis	Salah Abdel Aziz Abdel Moteleb	Mohamed Kattary Abdallah

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)
Consolidated statement of changes in equity for the financial year ended December 31, 2020
(All amounts are in Egyptian Pounds)

		Issued and		Retained	Net	Translation	Equity holders	Non controlling	Total
		paid up capital	Reserves	earnings	profit	differences	of the parent	interest	equity
Balance at 1/1/2019		845 404 443	670 369 627 1	284 374 514	298 737 503	609 548 224 4	706 434 313 7	091 873 845	797 307 159 8
Transferred to reserves		--	891 850 37	--	(891 850 37)	--	--	--	--
Transferred to retained earnings		--	--	407 886 465	(407 886 465)	--	--	--	--
Dividends		--	--	(384 087 790)	--	--	(384 087 790)	(236 416 54)	(620 503 844)
Adjustments related to consolidated statements		--	--	407 895 19	--	(912 545 19)	495 349	(746 54)	749 294
Total Comprehensive income for the year		--	71 805	--	772 770 774	(102 355 570)	475 487 204	305 447 32	780 934 236
Balance at 2019/12/31		845 404 443	366 292 665 1	714 068 210	772 770 774	595 647 634 3	292 184 728 6	414 849 823	706 033 552 7
Balance at 2020/1/1		443 404 845	366 292 665 1	714 068 210	772 770 774	595 647 634 3	292 184 728 6	414 849 823	706 033 552 7
Transfer to capital increase from reserves		423 702 221	(423 702 221)	--	--	--	--	--	--
Transferred to reserves		--	900 652 43	--	(900 652 43)	--	--	--	--
Transferred to retained earning		--	--	872 117 731	(872 117 731)	--	--	--	--
Dividends		--	--	(160 981 592)	--	--	(160 981 592)	(172 661 39)	(332 642 632)
Total Comprehensive income for the year		--	(232 71)	--	232 439 937	(235 090 89)	765 277 848	893 881 162	658 159 011 1
Balance at 2020/12/31		268 107 665	611 171 487 1	426 205 348	232 439 937	360 557 545 3	897 480 983 6	135 070 947	032 551 930 7

The accompanying notes from №.(1) to №. (31) form an integral part of these consolidated financial statements.

Chairman	CEO		CFO & Board Member
Yasmin Mohamed Farid Khamis	Salah Abdel Aziz Abdel Moteleb		Mohamed Kattary Abdallah

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)
Consolidated statement of financial position as of December 31, 2020
(All amounts are in Egyptian Pounds)

	Note		
	N ^o	31/12/2020	31/12/2019
Cash flows from operating activities		1 269 624 421	962 040 803
Net profit for the year before income tax			
Adjustments to reconcile net profit to net cash provided by operating activities		538 185 472	508 526 466
Fixed assets depreciation		225 845 613	120 736 281
Formed provisions and impairment		(21 527 688)	(59 702 385)
Interest income		104 079 183	128 130 231
Financing expenses		--	(7 992 345)
Financial investments revenues		(6 368 015)	(15 129 496)
Capital (gain)		2 109 838 986	1 636 609 555
Operating profits before changes in working capital			
Change in :		108 601 342	84 475 428
Inventory		(272 737 036)	23 965 493
Trades and notes receivable and debit accounts		159 125 986	(184 995 578)
Suppliers and notes payable and credit accounts		2 104 829 278	1 560 054 898
Cash flows provided by operating activities		21 527 688	59 702 385
Proceeds from interest income		(104 079 183)	(128 130 231)
Financing expenses paid		(74 677 634)	(69 384 172)
Income tax paid		1 947 600 149	1 422 242 880
Net cash flows provided by operating activities			
Cash flows from investing activities		(274 837 317)	(368 411 412)
Payments) for purchase of fixed assets and projects in progress)		--	7 992 345
Proceeds from available for sale investments		10 341 527	18 167 663
Proceeds from selling of fixed assets		(99 219 837)	(44 290 019)
(Payments) to treasury bills		(363 715 627)	(386 541 423)
Net cash flows (used in) investing activities			
Cash flows from financing activities		601 747 283	(132 427 472)
Proceeds (payments) from banks-credit accounts		(630 636 924)	(855 573 515)
Dividends paid and payments for non controlling interest		(3 574 625)	(5 014 063)
Exchange differences arising from translation of financial state-ments		(29 538 127)	(118 061 334)
(Payments) to long term liabilities		(62 002 393)	(1 111 076 384)
Net cash flows (used in) financing activities			
		1 521 882 129	(75 374 927)

Net change in cash and cash equivalents during the year		1 195 783 390	1 321 841 268
Cash and cash equivalents at the beginning of the year		(4 927 978)	(50 682 951)
Translation exchange differences related to cash and cash equivalents		2 712 737 541	1 195 783 390
Cash and cash equivalents at end of the year represents in:			
Cash and cash equivalents		890 842 296	453 698 106
Treasury bills	(14)	2 022 461 803	845 396 719
Treasury bills due more than three months	(13)	(200 566 558)	(103 311 435)
Cash and cash equivalents		2 712 737 541	1 195 783 390

The amounts of LE 61 146 682 of the working capital items, LE 57 964 184 of the investment activities, LE (38 523 234) of the financing activities and LE 4 927 978 of the cash and cash equivalents have been eliminated against the amount of LE 85 515 610 of the translation differences.

The accompanying notes from N^o.(1) to N^o. (31) form an integral part of these consolidated financial statements.

Chairman	CEO	CFO & Board Member
Yasmin Mohamed Farid Khamis	Salah Abdel Aziz Abdel Moteleb	Mohamed Kattary Abdallah

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Consolidated statement of changes in equity for the financial year ended December 31, 2020

(All amounts are in Egyptian Pounds)

Fixed assets									
		Buildings & Constructions	Machinery & equipment	Vehicles	Tools & Supplies	Showrooms Fixture	Furniture & office equipment	Computers	Total
	Land								
Cost as of 1/1/2019	741 076 735	3 069 118 733	9 047 514 181	282 315 494	128 894 210	72 993 706	140 436 179	178 772 036	13 661 121 274
Additions	--	16 718 072	242 384 288	8 139 352	10 538 614	38 006 127	12 234 382	62 199 248	390 220 083
Disposals	--	(10 987 119)	(32 827 922)	(2 743 863)	--	--	(6 619 332)	--	(53 178 236)
Translation exchange differences	(50 413 968)	(227 372 081)	(823 454 514)	(22 340 339)	(7 752 941)	--	(8 906 371)	(14 485 816)	(1 154 726 030)
Cost as of 31/12/2019	690 662 767	2 847 477 605	8 433 616 033	265 370 644	131 679 883	110 999 833	137 144 858	226 485 468	12 843 437 091
Additions	127 118	7 981 367	284 598 919	16 540 588	5 904 300	11 830 986	3 301 217	13 205 587	343 490 082
Disposals	--	(4 304 232)	(8 309 041)	(5 908 107)	(264 878)	--	--	--	(18 786 258)
Translation exchange differences	(8 188 158)	(33 020 536)	(119 908 785)	(3 663 005)	(1 191 973)	(18 559)	(1 422 306)	(3 368 103)	(170 781 425)
Cost as of 31/12/2020	682 601 727	2 818 134 204	8 589 997 126	272 340 120	136 127 332	122 812 260	139 023 769	236 322 952	12 997 359 490
Accumulated depreciation and impairment as of 1/1/2019	--	1 162 630 986	6 882 253 031	234 852 674	105 913 336	49 357 770	109 600 848	155 463 042	8 700 071 687
Depreciation of year	--	102 840 726	352 892 443	14 126 240	7 249 827	10 425 790	5 542 167	15 449 273	508 526 466
Impairment losses during the year	--	--	1 167 140	--	--	--	--	--	1 167 140
Disposals of accumulated depreciation	--	(10 158 065)	(30 779 911)	(2 642 692)	--	--	(6 559 401)	--	(50 140 069)
Translation exchange differences	--	(93 254 116)	(652 356 554)	(18 009 399)	(6 601 716)	--	(7 179 135)	(12 712 300)	(790 113 220)
Accumulated depreciation and impairment as of 31/12/2019	--	1 162 059 531	6 553 176 149	228 326 823	106 561 447	59 783 560	101 404 479	158 200 015	8 369 512 004
Depreciation of year	--	101 839 688	359 904 606	14 042 420	7 762 885	19 511 907	5 752 991	29 370 975	538 185 472
Impairment losses during the year	--	--	6 512 838	--	--	--	--	--	6 512 838
Disposals of accumulated depreciation	--	(1 537 713)	(7 168 381)	(5 841 774)	(264 878)	--	--	--	(14 812 746)
Translation exchange differences	--	(14 743 893)	(96 120 682)	(3 059 578)	(1 025 185)	(2 644)	(1 132 275)	(2 217 380)	(118 301 637)
Accumulated depreciation and impairment as of 31/12/2020	--	1 247 617 613	6 816 304 530	233 467 891	113 034 269	79 292 823	106 025 195	185 353 610	8 781 095 931
Net book value as of 31/12/2020	682 601 727	1 570 516 591	1 773 692 596	38 872 229	23 093 063	43 519 437	32 998 574	50 969 342	4 216 263 559
Net book value as of 31/12/2019	690 662 767	1 685 418 074	1 880 439 884	37 043 821	25 118 436	51 216 273	35 740 379	68 285 453	4 473 925 087

ORIENTAL WEAVERS CARPETS COMPANY

(An Egyptian Joint Stock Company) Consolidated Financial Statements For The Financial year ended December 31, 2020 Together With AUDITOR'S REPORT

- Auditor's report
- Consolidated statement of financial position as of December 31, 2020
- Consolidated statement of income for the year ended December 31, 2020
- Consolidated statement of comprehensive income for the year ended December 31, 2020
- Consolidated statement of changes in equity for the year ended December 31, 2020
- Consolidated statement of cash flows for the year ended December 31, 2020
- Notes to the consolidated financial statements for the year ended December 31, 2020

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Notes to the consolidated financial statements for the financial year ended December 31, 2020
(All amounts in Egyptian Pounds unless otherwise stated)

BACKGROUND INFORMATION

1-1 Oriental Weavers Carpets Company was established in November 16, 1981 as a Limited Liability Company according to Law No. 43 of 1974 which was replaced by Law No. 32 of 1977. On November 2, 1991 the Legal status of the company was changed to be an Egyptian Joint Stock Company (S.A.E) under Law No. 230 of 1989 and Law No. 95 of 1992.

1-2 Commercial Register

Commercial Register No 44139 dated November 16, 1981.

1-3 Company's objective

Production of machine – made carpets and semi hand-woven carpets (Hand-Tuft), marketing and selling them domestically, export and import the machinery and equipment and raw materials necessary for the production.

Toll manufacturing for other parties and at other parties. Supplying, installing and maintaining of all types of woven carpets and carpets, and purchasing,

importing and supplying all installation and maintenance supplies.

Importing all types of carpets, woven and non-woven semi-finished materials from the country or abroad, complete their production, processing, and then re-market and sell them domestically and abroad.

Manufacturing, selling and exporting all kinds of natural and industrial raw materials which are necessary for the manufacturing of carpets, whether in the form of yarn or in the form of materials needed to produce the yarn, as well as importing all the necessary needs to achieve this purpose.

Importing all machine-made and hand-made rugs and the accessories complementary to its product mix from Egypt or from outside the country for the purpose of marketing and selling them domestically.

1-4 Company Life time is 25 years start from

November 15, 2006 to November 14, 2031.

1-5 The Company is listed in Egyptian exchange.

1-6 Company's Headquarter

The Company located at Tenth of Ramadan city – Industrial zone – Sharkia.

BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

2-1 New and revised Egyptian Accounting Standards in issue but not yet effective

The Minister of Investment's decree No. (69) Of 2019 was issued on March 18, 2019. It has been decided to issue new standards and replace and withdraw certain Egyptian Accounting Standards, and it shall be effective for the financial periods that start at or after January 1, 2020.

On April 12, 2020, the Financial Regulatory Authority has issued a statement postponing the application of the new Egyptian Accounting Standards and the accompanying amendments issued in Resolution No. 69 of 2019 to the interim financial statements that will be issued during the year 2020 due to the current circumstances the country is going through from the spread of the new Coronavirus and the

economic and financial implications associated with it. And companies should apply these standards and that amendments to the annual financial statements at the end of 2020 by include the cumulative effect at the end of 2020 with companies' commitment to adequately disclose in their interim financial statements during 2020 about this fact and its accounting effects, if any.

On September 20, 2020, Prime Minister Decision No. 1871 of 2020 was issued to postpone the application of accounting standards No. (47) - Financial instruments and (48) - Revenue from contracts with customers and (49) - Leasing contracts for the financial year that starts from January 1, 2021.

Currently the Company is study the effect of the application of these standards on its Financial Statements. These standards are listed below: Standards have been replaced Egyptian Accounting Standard No. (1) "Presentation of Financial Statements", Egyptian Accounting Standard

No. (4) "Statement of Cash Flows", Egyptian Accounting Standard No. (25) "Financial Instruments Presentation", Egyptian Accounting Standard No. (26) "Financial Instruments Recognition and Measurement", Egyptian Accounting Standard No. (34) "Investment Property", Egyptian Accounting Standard No. (38) "Employee Benefits", Egyptian Accounting Standard No. (40) "Financial Instruments Disclosures", Egyptian Accounting Standard No. (42) "Consolidated Financial Statements". Standards have been revised Egyptian Accounting Standard No. (15) "Related Party Disclosures", Egyptian Accounting Standard No. (17) "Separate Financial Statements", Egyptian Accounting Standard No. (18) "Investments in Associates" Egyptian Accounting Standard No. (22) "Earnings per Share" Egyptian Accounting Standard No. (24) "Income Taxes", Egyptian Accounting Standard No. (29) "Business Combinations", Egyptian Accounting Standard No. (30) "Interim Financial Reporting", Egyptian Accounting Standard No. (31) "Impairment of Assets", Egyptian Accounting Standard No. (32) "Non-current Assets Held for Sale and Discontinued Operations", Egyptian Accounting Standard No. (44) "Disclosure of Interests in Other Entities". New standards Egyptian Accounting Standard No. (47) "Financial Instruments", Egyptian Accounting Standard No. (48) "Revenue from Contracts with Customers", Egyptian Accounting Standard No. (49) "Leases", in addition to issue an Egyptian Accounting Interpretation No. (1) "Service Concession Arrangements". Standards have been withdrawn Egyptian Accounting Standard No. (8) "Construction Contracts" Egyptian Accounting Standard No. (11) "Revenue" Egyptian Accounting

Standard No. (20) "Accounting rules and standards related to financial leasing operations".

2-2 Statement of compliance

The consolidated financial statements have been prepared in accordance with Egyptian Accounting Standards and in the light of Egyptian laws and regulations.

The Egyptian Accounting Standards requires refer to the International Financial Reporting Standards when no Egyptian accounting standard or legal requirements illustrate how to treat specific balances or transaction.

2-3 Basis of measurement

The consolidated financial statements have been prepared using historical cost, modified by the results of revaluation differences of financial assets and liabilities at fair value through profit and loss as shown in the accounting policies mentioned below.

USE OF JUDGMENTS AND ESTIMATES

The preparation of consolidated financial statements according to the Egyptian Accounting Standard requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are readily apparent from other sources. Actual results may differ from these estimates. The note no. (5) From the notes of

the financial statements indicates the items and the elements that have significant accounting estimates. Estimates and underlying assumption are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3-1 Fair Value Measurement

The fair value of the financial instruments is determined based on the quoted price for the financial instrument or similar instruments at the financial statement date. The financial assets value are determined based on current purchase price for these assets; while the financial liabilities value are determined based on current prices for which these liabilities settled.

In the absence of an active market, the fair value is determined using various valuation techniques taking into consideration the transactions recent prices, current fair value for the other similar instruments substantially, discounted cash flows or any other valuation technique which resulting in reliable values.

When using the discounted cash flow method as a valuation technique, the future cash flows are estimated based on management's best estimates. The discount rate used is determined in the light of the prevailing market price at the date of the financial statements of financial instruments are similar in nature and terms.

SCOPE OF CONSOLIDATED FINANCIAL

STATEMENTS

Consolidated Financial Statements include companies in which Oriental Weavers Carpets Company participates in their capitals and has control thereon.

- Subsidiaries included in the consolidated financial statements are as follows:-

	Percentage of participations 31/12/2020	Percentage of participations 31/12/2019
Subsidiary name	%	%
Oriental Weavers Co. U.S.A.	82.68	82.68
Oriental Weavers International Co.	99.99	99.99
MAC Carpet Mills	58.29	58.29
Egyptian Fibers Co. EFCO	67.87	67.87
Oriental Weavers Co.- China	99.63	99.63
New Mac	52.02	52.02
Oriental Weavers Textile	71.44	71.44

5 - SIGNIFICANT ACCOUNTING POLICIES

5-1 Basis of consolidation

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

A- Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

B- Non-controlling interest

Non-controlling interest are measured at their proportionate share of the acquiree’s identifiable net assets at the date of acquisition.

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

C- Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in profit or loss, any interest retained in the former subsidiary is measured at fair value when control is lost.

D- Transactions eliminated in consolidation

- Consolidated current financial position are prepared by combining similar items of assets, liabilities, equity, revenues and expenses stated in the financial statements of the holding company and its subsidiaries.
- The carrying amount of the holding company’s investment in each subsidiary and the holding company’s portion in the equity of each subsidiary are eliminated.
- All inter-company balances, transactions, and material unrealized gains are eliminated.

5-2 Foreign currency Translation

a- Presentation and Transaction Currency

The Financial Statements are presented in Egyptian pound which represents the company presentation and transaction currency.

b- Transaction and Balances

Transactions denominated in foreign currencies are

recorded at the prevailing exchange rates at the date of the transaction. At consolidated financial position date monetary assets and liabilities denominated in foreign currencies are revaluated at the exchange rates declared by the company’s bank and its subsidiaries’ bank at that date.

Assets and liabilities items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

Non-monetary items that are measured at historical cost in a foreign currency shall be translated using the exchange rates at the date of transaction.

Generally, the exchange differences are recorded in the consolidated income statement for the year.

c- Translation of Financial Statements of Foreign Companies

Some of the subsidiaries maintain their books of accounts in foreign currency other than Egyptian Pounds. Monetary assets and liabilities of these companies are translated into Egyptian Pound at the Foreign exchange rate at the date of consolidated financial position. Shareholders’ equity items are translated at the foreign exchange rate prevailing at the consolidation date. Consolidated income statement items are translated at the average foreign exchange rate of the reporting period.

Foreign currency differences are recognized in other comprehensive income and accumulated in the translation reserve, except to the extent that the translation difference is allocated to non-controlling interest.

5-3 Fixed Assets and Depreciation

a- Recognition and Initial Measurement

Fixed assets are recognized initially at cost and subsequently at cost less accumulated depreciation and accumulated impairment losses-if exist.

b- Subsequent Cost

The Company recognizes the carrying amount of Parts of some Items of Fixed assets may require replacement, the cost of replacing part of such an item is recognized when criteria are met and after de-recognition the carrying amount of those parts that are replaced and when replacement have probable future economic benefits and can be measured reliable, any other costs are recognize at income statement.

c- Depreciation

Depreciable value is determined based on fixed asset cost less its residual value .Residual value is representing the net value resulting from dispose-off the asset, if the asset were in its condition after its useful life.

Depreciation of assets is charged in the income statement on a straight-line basis over the estimated useful lives of each part of fixed assets. Land is not depreciated. The estimated useful lives are as follows:

Estimated useful life (Year)

Description

Buildings & Constructions
Machinery & Equipment
Vehicles
Tools & Supplies
Show-room Fixture
Furniture & office equipment
Computers & programs

25-50
10
5-8
5
3
5-10
3

5-4 Projects in Progress

Projects in progress are recognized initially at cost. Cost includes all expenditures directly attributable to bringing the asset to a working condition for its intended use.

Projects in progress are transferred to property, plant and equipment caption when they are completed and are ready for their intended use.

5-5 Financial assets Available for sale

Financial assets available for sale are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value (Except for the investments that do not have a quoted price in an active market, which shall be measured at cost less impairment loss) and changes therein, other than impairment losses and foreign currency differences on debt instrument, are recognized in other comprehensive income and accumulated in the fair value reserve.

When these assets are derecognized, the gain or loss accumulated in equity is reclassified to profit or loss.

Impairment losses on available for sale financial assets are recognized by reclassifying the losses accumulated in the fair value reserve to profit or losses. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortization) and the current fair value, less any impairment losses previously recognized in profit or loss.

If the fair value of an impaired available for sale debt security subsequently increase and the increase can be related objectively to an event occurring after the impairment loss was recognized, then the

impairment loss is reversed through profit or loss. The impairment loss that recognized in profit or loss for the equity instruments classified as available for sale is not reversed to profit or loss.

5-6 Goodwill

Goodwill is measured as the excess of the consideration transferred and the amount of any non-controlling interest in the acquire and the acquisition date fair value of the acquirer's previously held equity interest in the acquire in a business combination achieved in stages over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

The carrying amount of goodwill is reviewed on regular basis; an impairment loss of goodwill is recognized if the carrying amount of the asset or its cash generating unit is exceeds its recoverable amount.

5-7 Inventory

Inventory is valued at the end of the year at which is lower of cost or net realizable value according to the following basis:

- Raw materials, Spare parts, packaging materials, are determined using the moving average method.
- Cost of work in process is determined at industrial cost which include materials used in its production and direct wages in addition to its related direct and indirect industrial expenses up to the production stage that have been reached.
- Cost of finished products at which is lower of cost

or net realizable value includes all the direct and indirect industrial expenses.

5-8 Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset shall be capitalized. Capitalization of interest and commission should be ceased when the assets are substantially ready for intended use.

Other borrowing costs shall recognize as an expense in the period in which it incurs them in the finance expenses account using the effective interest rate method.

Capitalization of borrowing costs should be suspended during extended periods in which it suspends active development of a qualifying asset. Capitalization of borrowing costs should be ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

5-9 Debtors and other debit accounts

Debtors and other debit accounts are stated at amortization cost using the effective interest rate less impairment loss of any amounts expected to be uncollected, and are classified as current assets. Amounts that are expected to be collected after more than one year are classified as non-current assets.

5-10 Treasury Bills

Treasury Bills are recorded at face value, where the unearned revenue is recorded in the liabilities, accordingly the net treasury bills presented after deducting the unearned revenue.

5-11 Provisions

Provisions are recognized when the company has a legal or constructive obligation as a result of a past event, and it is probable that an out flow of economic benefits will be required to settle the obligation, and the obligation can be reasonably estimated, and if there is a significant effect of the monetary time value, the provisions are determined after deduction of future cash flow that are related to the obligation of payment by using the relevant deduction rate to take this effect into consideration. Provisions are reviewed at the financial position date and amended when necessary to reflect the best current estimate.

5-12 Revenue Recognition

Revenue is recognized when it is probable that the economic benefits associated with the transaction will inflow to the entity and the amount of revenue can be measured reliably. Revenue shall be measured at the fair value of the consideration received or receivable less the amount of any trade discounts, volume rebates by the entity, sales tax or fees.

The following are the special considerations of the revenue recognition:

- Revenue from sales is recognized when goods-related rewards and risks are transferred to the buyer upon the delivery of the products and invoicing.
- Interest income is recognized in the income statement using the effective interest method. The effective interest method is used for discounting the expected future cash flows and allocating the related interest income over the maturity period. The effective interest

is calculated taking in consideration the contractual arrangements.

- Income from available for sale investment is recognized when the cash distribution declared by the Investee Company and received.

5-13 Legal reserve

According to the company's statutes the Company is required to set aside 5% of the annual net profit to form a legal reserve. The transfer to legal reserve ceases once the reserve reach 50% of the issued share capital. If the reserve falls below the defined level (50% of the issued share capital), then the Company is required to resume setting aside 5% of the annual net profit until it reaches 50% of the issued share capital.

5-14 Treasury shares

Treasury shares are stated at cost, and shall be deducted from equity. No gain or loss shall be recognized in profit or loss on the purchase, sale, issue or cancellation of an entity's own equity instruments. Gain or loss on the dispose of the shares shall be recognized directly in equity.

5-15 Impairment

A- Financial assets

The financial assets is impaired if there is objective evidence indicates that there is one or more event which has a negative impact on the estimated future cash flows from using of the asset.

The amount of the impairment loss of the financial assets carried at amortized cost is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The amount of the impairment loss

of the financial assets available for sale is measured using the prevailing fair value.

All individually significant financial assets are individually assessed for impairment and for other financial assets that are in groups in the light of credit risk characteristics are collectively assessed for impairment, collective assessment is carried out by grouping together assets with similar credit risk characteristics.

All impairment losses are recognized in income statement, impairment loss on available for sale investment are recognized by reclassifying the losses accumulated in the equity to income statement if the decline in value indicates the occurrence of impairment.

The impairment loss is reversed if it is can be related objectively to an event occurring after the impairment loss was recognized. For the financial assets carried at amortized cost and the financial assets which considered debt instruments the impairment is reversed in the income statement and for the financial assets available for sale which is considered equity instruments the impairment is reversed directly in equity.

B- Non-Financial assets

At each financial statement date, the company reviews the carrying amounts of its non-financial assets other than the investment properties, inventory and deferred tax assets, if any to determine whether there is any indication of impairment.

An impairment loss is recognized if the carrying amount of an asset or cash generating unit exceeds its recoverable amount, cash-generating unit is the smallest identifiable group of assets that generates

cash inflows that are largely independent of the cash inflows from other assets or groups of assets, impairment loss are recognized in income statement. The recoverable amount of an assets or cash generating unit is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets or cash generating unit.

Impairment losses of the other assets that are recognized in the previous years are reviewed at the financial statements date to determine whether there is any indication of impairment.

An impairment loss is reversed if there is change in estimates used in determining of the recoverable value. An impairment loss is reversed only to extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

5-16 Income tax

Income tax on the profit for the year comprises current and deferred tax. Income tax is recognized in the income statement except for the extent that it relates to items outside profit or loss which is recorded whether in other comprehensive income or recorded directly in equity.

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantially enacted at the consolidated financial position date, and any adjustment to tax payable in respect of previous year.

Deferred tax is recognized for temporary differences between the carrying amounts of assets and liabilities for financial purposes and the amount used for taxation purposes.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the consolidated financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against extent that it is no longer probable that the related tax benefit will realize.

5-17 Employees' pension

A- Social Insurance and pension

The Company contributes to the government social insurance system for the benefit of its personnel in accordance with the social insurance law no 79 of 1975 and its modifications. Limited Contributions are charged to income statement using the accrual basis of accounting.

B- Employees' profit share

The Company contributes an employees' profit share of 10% from net profit for the year after deducting the legal reserve and the accumulated losses, if any, not to exceed the total salaries for the year and the employees' profit share is recognized as liabilities when it is approved by the general assembly.

5-18 Contingent liabilities and commitments

Contingent liabilities and commitments shown out of the financial position as it is not represented actual assets or liabilities at the financial position date.

5-19 Related parties transactions

Transactions with Related parties that are undertaken by the Company in the course of its ordinary transactions are recorded according to the conditions laid down by the company’s management on the same bases of dealing with third party.

5-20 Cash flow statement

Consolidated Cash flow statement is prepared using the indirect method.

For purpose of preparing the consolidated statement of cash flows, Cash and cash equivalents include cash, time deposits for a period not more than three months and treasury bills for a period not more than three months.

5-21 Comparative Figures

Comparative figures are reclassified whenever necessary to confirm with the current classification in the current year.

7- PROJECTS IN PROGRESS

	31/12/2020	31/12/2019
Buildings under Construction	58 327 888	48 599 439
Machinery & Equipment under installation	11 389 089	104 345 752
Computer systems	9 102 609	--
Letters of credit for purchasing of assets	--	21 315 101
Advance payment for purchasing of Fixed assets	232 400 62	30 687 539
	818 219 141	204 947 831

8- AVAILABLE FOR SALE INVESTMENTS

	Balance as of 1/1/2020	Fair value reserve of available for sale investments	Translation difference	Balance as of 31/12/2020
Unlisted investments at Egyptian Exchange				
Egyptian Propylene & Polypropylene Company "E.P.P"	100 260 473	--	(1 906 718)	98 353 755
Alahli Bank of Kuwait- Egypt	12 639 818	--	--	12 639 818
Oriental for Industrial Development	4 200 000	--	--	4 200 000
Prudential company – U.S.A	468 611	(151 86)	(9 959)	515 358
Cambridge Weavers (under liquidation)	750 3	--	--	3 750
Trading for Development Export*	--	--	--	--
10th of Ramadan for Spinning Industries (under liquidation)*	--	--	--	--
Modern Spinning Company (under liquidation)*	--	--	--	--
Egyptian for Trade and Marketing*	--	--	--	--
	715 509 117	(86 151)	(1 916 677)	712 681 115

9- GOODWILL

	Investment cost	Company’s share of the fair value for Net assets	Goodwill Impairment	31/12/2020 Goodwill	31/12/2019 Goodwill
Oriental weavers international (OWI)	728 049 443	(676 790 531)	(258 912 51)	--	51 258 912
MAC Carpet Mills (MAC)	750 697 752	(400 022 873)	(674 879 350)	--	674 879 108
	1 478 747 195	(1 076 813 404)	(933 791 401)	--	933 791 159

10- INVENTORY

	31/12/2020	31/12/2019
Raw materials	1 257 765 231	1 165 798 949
Spare parts & materials	287 704 579	277 171 755
Work in process	129 976 110	107 321 385
Finished products	1 379 471 741	1 733 842 051
Letter of credit for purchasing of raw materials	198 876 141	59 341 310
	859 793 196 3	3 343 475 450
Less: Impairment in inventory	(1 790 939)	(659 825 1)
	002 920 3 195	649 341 3 791

11- TRADES & NOTES RECEIVABLE

	31/12/2020	31/12/2019
Trades receivables	1 584 593 035	001 657 402 1
Less: Impairment in Trades receivables	222 783 982	496 144 196
	361 809 053 1	512 206 1 505
Notes Receivable	361 723 888	132 039 385
	723 532 941 1	551 591 1 637

Trades & Notes Receivable include amount of LE 2 814 055 due from related parties at December 31, 2020 result from sales of carpets.

12- DEBTORS AND OTHER DEBIT ACCOUNTS

	2020/12/31	2019/12/31
Prepaid expenses	705 296 32	433 101 33
Tax authority – debit accounts	549 353 133	484 254 127
Deposits with others	836 109 46	293 644 45
Debit balances – related parties	--	000 055 8
Accrued revenues	893 577	--
Letter of guarantee & letter of credit – cash margin	281 232 6	459 525 6
Petty cash & advance to employees	076 197 5	396 575 5
Suppliers – advance payment	916 929 114	009 173 54
Other debit accounts	15 290 040	778 653 15
Less: Impairment in debtors and other debit accounts	353 987 296	852 982 295
	(841 959 7)	(841 959 7)
	346 027 455	011 023 288

13- TREASURY BILLS

	2020/12/31	2019/12/31
Treasury bills (mature in 90 days)	023 592 890 1	000 900 780
Treasury bills (mature in more than 90 days)	314 527 214	518 645 108
	2 105 119 337	518 545 889
Less: Unearned revenue	(82 657 534)	(799 148 44)
	2 022 461 803	719 396 845

14- CASH AND CASH EQUIVALENTS

	2020/12/31	2019/12/31
Banks – Time deposits	833 997 314	847 022 32
Banks – Current accounts	743 225 585	271 506 416
Checks under collection	000 50	--
Cash on hand	260 671 3	884 242 5
Cash at banks and on hand Less:	903 944 836	002 772 453
Time deposits blocked as guarantee to the facilities granted to the group	(370 77)	(896 73)
Sums set aside in banks for the customs authority	(13 025 170)	--
Cash and cash equivalents for cash flows statement purposes	890 842 296	106 698 453

15- Issued and paid up capital

The company’s authorized capital is determined to be L.E 1 000 000 000 (one billion Egyptian pounds).

15-2 The Issued capital is LE 443 404 845 (only four hundred forty three million and four hundred four thousand and eight hundred forty five Egyptian pounds) distributed over 443 404 845 shares which LE 421 808 045 (only four hundred twenty one million and eight hundred eight thousand and forty five Egyptian pounds) are cash shares and 21 596 800 (only twenty one million and five hundred ninety six thousand and eight hundred Egyptian pounds) are in-kind shares at a value of LE 1 each.

15-3 According to the General Assembly meeting held on April 17, 2019 it was unanimously approved to increase the issued capital from reserves by L.E 221 702 423 through distribution of bonus shares by one share for every two shares and it was registered in the Commercial Register on February 18, 2020. The

number of shares become 665 107 268 shares with a par value of LE 665 107 268.

15-4 The company’s shares are centrally kept at Misr for Central Clearing, Depositary and Registry Co. and those shares are traded in Egyptian exchange.

16- Reserves

	2020/12/31	2019/12/31
Legal reserve*	1 138 835 482	1 118 138 121
General reserve*	74 488 537	286 810 951
Special reserve	59 973 828	59 973 828
Net assets revaluation reserve	65 767 458	65 767 458
Capital reserve	147 068 628	133 493 099
Unrealized gain from available for sale investments	1 037 678	1 108 909
	1 487 171 611	1 665 292 366

*An amount of LE 212 322 414 of the general reserve and amount of LE 9 380 009 of the legal reserve has been used in the issued capital increase - Note No. (15-3)

17- Non-Controlling interest

	Non controlling interest in Equity	Non controlling interest in comprehensive income	Balance as of 2020/12/31	Balance as of 2019/12/31
Oriental Weavers international Co (O.W.I)	168 210	609 12	777 222	226 262
MAC Carpet Mills	519 959 313	118 283 83	637 242 397	333 848 675
Egyptian Fibres Co. EFCO	034 372 99	972 812 34	006 185 134	109 610 489
Oriental Weavers – China	689 140	(975 65)	714 74	140 689
New MAC	213 083 2	151 335 2	364 418 4	2 891 249
Oriental Weavers Textile	703 899 250	560 271 34	263 171 285	259 609 134
Oriental Weavers Co. U.S.A.	916 522 117	458 232 8	374 755 125	117 522 916
Modern Spinning Company (under liquidation)*	242 188 784	893 881 162	135 070 947	823 849 414

19- HOUSING AND DEVELOPMENT BANK LOAN

	Note	2020/12/31	2019/12/31
Balance of this item represents the remaining amount due to Housing and Development Bank against purchasing housing units for employees in 10th of Ramadan city. Payment shall be made on equal monthly instalments for 27 years.	Nº	69 200	397 90
Instalments due within one year were classified as part of current liabilities under the item of long term liabilities – current portion.	(20)	(28 921)	(921 28)
		40 279	476 61

20- LONG TERM LIABILITIES – CURRENT PORTIONS

	Note	2020/12/31	2019/12/31
	Nº	2020/12/31	2019/12/31
Long-term loan instalment	(18)	99 466 866	593 167 110
Housing and Development Bank loan	(19)	28 921	921 28
		99 495 787	514 196 110

21- DEFERRED TAX LIABILITIES

Deferred tax Assets and liabilities				
	2020/12/31		2019/12/31	
	Assets	(Liabilities)	Assets	(Liabilities)
Temporary tax differences – O.W. (USA)	14 667 081	--	014 815 15	--
Fixed assets	--	(159 147 828)	--	(818 991 156)
Total deferred tax assets / (liabilities)	14 667 081	(159 147 828)	014 815 15	(818 991 156)
Net deferred tax (liabilities)		(144 480 747)		(804 176 141)
The movement of deferred tax liabilities is shown below:				
	2020/12/31		2019/12/31	
	Assets	(Liabilities)	Assets	(Liabilities)
Beginning balance	15 815 014	(156 991 818)	18 585 628	(154 174 636)
Charged to the statement of income	(851 824)	(2 156 010)	(324 880)	(182 817 2)
Translation Difference	(296 109)	--	(1 890 290)	--
Ending balance	14 667 081	(159 147 828)	014 815 15	(818 991 156)

22- Provisions

	Balance as of 1/1/2020	Formed during the year	Used during the year	Balance as of 31/12/2020
Provisions for claims	858 745 61	32 148 146	(3 866 958)	90 027 046
	858 745 61	32 148 146	(3 866 958)	90 027 046

The provision for claims represents an expected claims from certain entities related to the Company's activities. Details about the provisions have not been disclosed in accordance with the Egyptian Accounting Standards, as the management believes that disclosure of some or all of the information can affect seriously the position of the entity in the dispute with other parties on the subject matter of the provision. Provisions are reviewed at the end of each reporting period and adjusted according to the latest updates, negotiation and agreements with those entities.

23- BANKS – CREDIT ACCOUNTS

Banks – credit accounts amounting to L.E 868 304 466 2 as of December 31, 2020 represents short term facilities granted by banks at relatively fixed interest rate, a part of facilities is guaranteed by notes receivable deposited at these banks for collection.

24- SUPPLIERS & NOTES PAYABLE

	2020/12/31	2019/12/31
Suppliers	754 518 636	256 608 711
Notes Payable	92 226 085	628 188 121
	846 744 721	884 796 832

25- CREDITORS AND OTHER CREDIT ACCOUNTS

	2020/12/31	2019/12/31
Accrued expenses	546 347 94	486 303 72
Tax authority	341 487 31	336 304 43
Social insurance authority	548 742 16	171 904 20
Trade receivable – advance payment	620 959 239	132 928 172
Creditors – purchases of fixed assets	830 819 7	175 841 6
Credit balances - related parties	201 789 146	212 171 129
Deposits from others	423 558 172	468 986 93
Other credit accounts	32 273 470	054 573 26
	741 977 979	034 012 566

26- Basic earnings per share in the separate financial statements

The basic earnings per share in the separate financial statements are determined as follows:-

	2020/12/31	2019/12/31
Net profit for the year in the separate financial statements	549 339 917	708 611 710
Less: Proposed employees share in distributions Proposed Board members remuneration		
Social insurance authority	49 000 000	45 000 000
Trade receivable – advance payment	2 300 000	2 300 000
Creditors – purchases of fixed assets	498 039 917	661 311 710
Average of shares number available during the year	665 107 268	665 107 268
Basic earnings per share in the separate financial statements	0.75	0.99

27- CONTINGENT LIABILITIES

Letter of Guarantees Issued by Banks in favour of the company and its subsidiaries to third parties as of December 31, 2020 amounted to L.E 126 263 75. Also contingent liabilities from letter of credit in that date amounted to L.E 710 366 237.

28- CAPITAL COMMITMENTS

The capital commitments as of December 31, 2020 amounted to L.E 70 879 734 represents the value of new extension related to showrooms and completion of construction in progress.

29- TAX POSITION

29-1 Corporate Tax

- The company has been inspected till December 31, 2016 and the assessed tax differences were paid.
- The company submits its annual tax return regularly on legal dates.

29-2 Salaries & Wages Tax

- The company has been inspected till December 31, 2016 and the assessed tax differences were paid.
- The years from 2017 till 2019, the company has been inspected and has not been informed with any forms.
- The company submits its tax return on the legal dates.

29-3 Sales Tax

- The company has been inspected till December 31, 2016 and the assessed tax differences were paid.
- The years from 2017 till 2019, the company has been inspected and has not been informed with any forms.
- The company submits the monthly tax return on the legal dates.

29-4 Stamp Duty Tax

- The company was inspected and the tax has been settled till

December 31, 2017.

- The company submits the tax return on the legal dates.

29-5 Real estate Tax

The tax has been assessed and paid till December 31, 2020.

30- FINANCIAL INSTRUMENTS AND RISK MANAGMENT

A- Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables from customers and all kind of receivables. The company's management has established a credit policy under which each customer is analysed individually for creditworthiness and these limits are reviewed on an on-going basis.

The maximum exposure to credit risk at the date of the consolidated financial statements as follows:

	Note		
	Nº	2020/12/31	2019/12/31
Trades and notes receivable	(11)	941 532 723 1	637 551 591 1
Debtors and other debit accounts	(12)	455 027 346	011 023 288
		2 069 560 396	648 574 879 1

B- Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The company confirmed it is acquired enough amount of cash to meet operating expenses. In addition, the company to preserve the credit facility

granted to it by banks.

C- Market risk

The risk of market price changes that arise from changes in exchange rates and interest rates of securities that may affect the Group's income or the cost of retaining financial instruments - if any.

Exchange rate risk

This risk is in the fluctuations in the value of financial instruments as a result of fluctuations in foreign currency exchange rates and that of financial assets and liabilities denominated in foreign currencies resident.

This risk is considered acceptable because of the assets in foreign currency correspond to the company's obligations in foreign currencies.

INTEREST RATE RISK

Interest rate risk is the risk resulting from changes in interest rate on the banks facility granted to the company. The Company obtains the best available conditions in the banking market for the credit facilities and reviews the prevailing interest rate in the banking market on an on-going-basis which minimizes the risk of changes in interest rates.

D - Capital Management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders and other beneficiaries who are using the financial statements through the optimal use of equity. Management seeks the best alternatives to maintain a better capital structure for the group through either dividend payment to shareholders, capital reduction, issuance of new shares, and or debt settlement.

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)
Notes to the consolidated financial statements for the year ended as of December 31 ,2020
(All amounts in Egyptian Pounds unless otherwise stated)

18- LONG TERM LOANS								
		Principal of	Balance	Balance as of 31/12/2020		Balance as of 31/12/2019		
		the loan in	of the loan					
BANK	Loan	original	as of	current por- tion	long term	current por- tion	long term	Terms of Payment
	Currency	Currency	31/12/2020	due in one year	installments	due in one year	installments	62 199 248
Qatar National Bank Alahli (1)								--
	EURO	3 600 000	91 899 071	20 124 063	71 775 008	18 424 091	46 060 228	The principal of the loan shall be settled over 7 equal half annually starting from 31/1/2020 till 31/1/2023 the interest and commission shall be computed and paid upon its due date.
Qatar National Bank Alahli (2)								
	EURO	10 000 000	--	--	--	16 860 220	7 488 741	The principal of the loan shall be settled over 48 unequal monthly starting from 6/10/2017 till 6/9/2021 the interest and commission shall be computed and paid upon its due date.
Qatar National Bank Alahli (3)								
	USD	4 563 473	68 775 155	22 925 052	45 850 103	20 999 922	52 499 830	The principal of the loan shall be settled over 7 equal half annually starting from 31/1/2020 till 31/1/2023 the interest and commission shall be computed and paid upon its due date.
			160 674 226	43 049 115	117 625 111	56 284 233	106 048 799	
Alex. Bank								
	EURO	6 500 000	--	--	--	6 231 128	--	The principal of the loan shall be settled over 9 equal half annually installments starting from 4/10/2016 till 4/10/2020 , the interest and commission shall be computed and paid upon its due date.
	USD		--	--	--	6 552 509	--	
Attijari wafa bank								
	USD	5 250 000	66 003 649	26 401 466	39 602 183	23 068 525	57 671 338	The principal of the loan shall be settled over 7 equal half annually installments starting from 30/11/2019 till 30/11/2022 , the interest and commission shall be computed and paid upon its due date.
Loans from Other Banks								
	USD	19 868 663	79 308 826	30 016 285	49 292 541	18 031 198	66 687 517	Other loans in US dollar granted to Oriental Weavers Co. U.S.A
			305 986 701	99 466 866	206 519 835	110 167 593	230 407 654	



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