



Investor Presentation

9M FY 2022

One of the world's
largest carpet manufacturers



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WHO WE ARE



Who We Are

The World's Leading Carpet Manufacturer...

Oriental Weavers, headquartered in Tenth of Ramadan City, Egypt, is the leading global integrated machine-made carpet and rug manufacturer in the world by volume, with more than 4 decades of operational excellence culminating in revenues of almost EGP 11 billion in 2021

EGP **9,488** mn

9M22 Revenue

▲13% YoY

EGP **1,062** mn

9M22 a EBITDA

▼30% YoY

EGP **993** mn

9M22 Gross Profit

▼29% YoY

EGP **527** mn

9M22 Net Income⁽¹⁾

▼39% YoY



Who We Are

...With Expansive Global Operations...

The Group enjoys extensive production capabilities through its manufacturing facilities and warehouses in Egypt and the US, where it produces more than 4 million copyrighted designs utilizing a vertically integrated business model to control the entire manufacturing process

1st

Global Producer by
Volume

26

Production Facilities across
2 continents

19,000+

Employees

240+

Looms



Who We Are

...And a Strong Local & International Presence

With 65% of revenues generated from export sales in 9M 2022, OW sells its products to major clients in 130 markets across the Middle East, North America, Europe and Asia and has recently enjoyed a strong and growing online presence with leading blue-chip retailers

5

Export Continents

130

Export Markets

3

Distribution Offices
(US, UK & UAE)

250+

Showrooms
(Egypt)



A modern interior scene featuring a dark wooden chair with a black leather seat, a large potted plant in a grey pot, and a wooden side table with a cane front. A patterned rug is in the foreground. The text "INVESTMENT HIGHLIGHTS" is overlaid in the center.

INVESTMENT HIGHLIGHTS

Vertically Integrated Business Model

Vertically Integrated Operations

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

Fiber Extrusion



Weaving & tufting



Retail & 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.

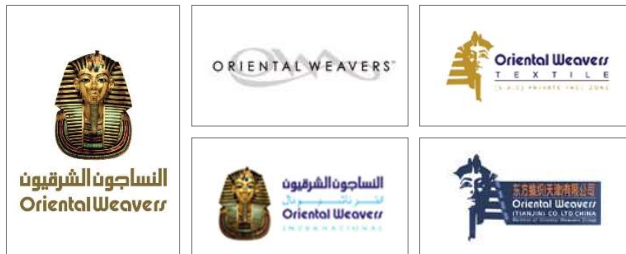
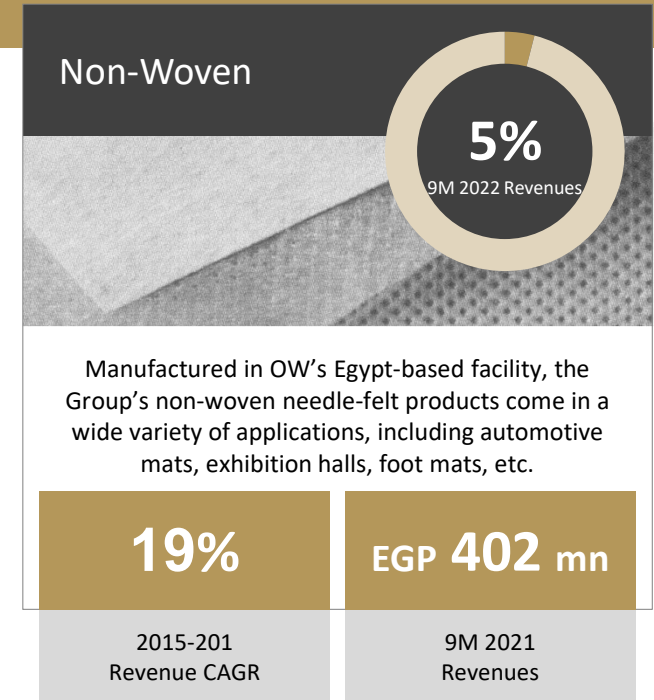
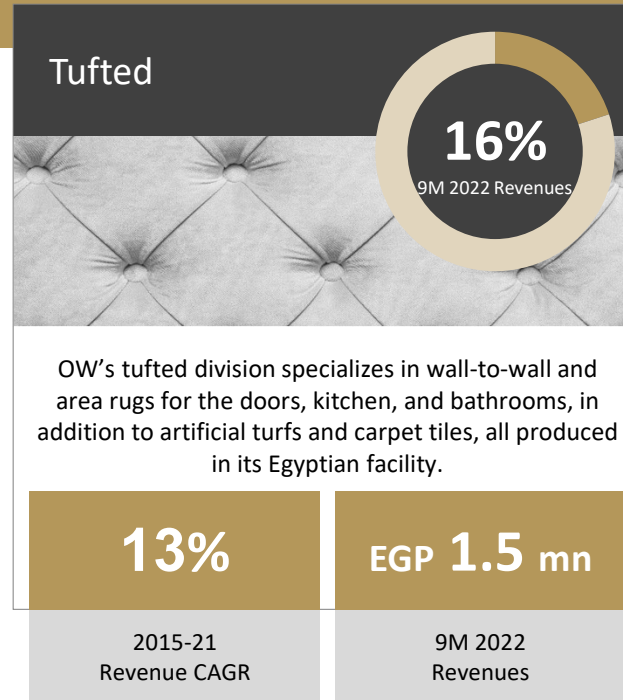
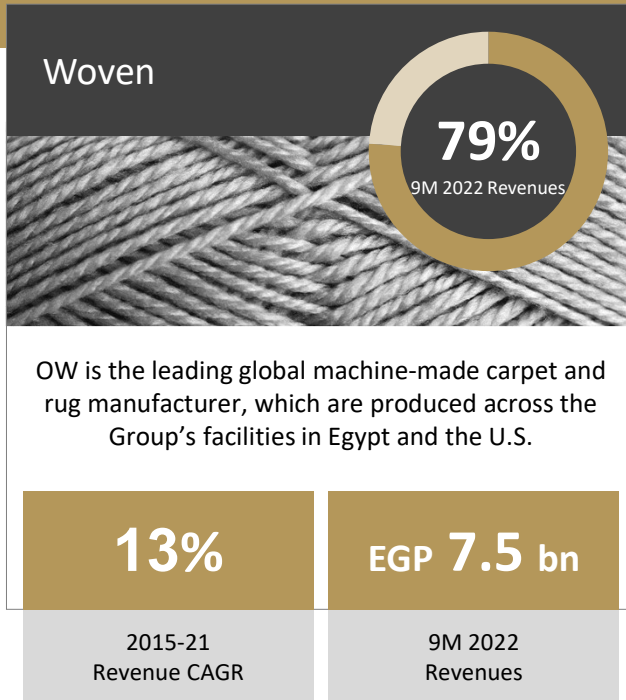
OW's Carpets are woven at its facilities across Egypt and the US using a choice of more than 4 million copyrighted designs

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

Investment Highlights

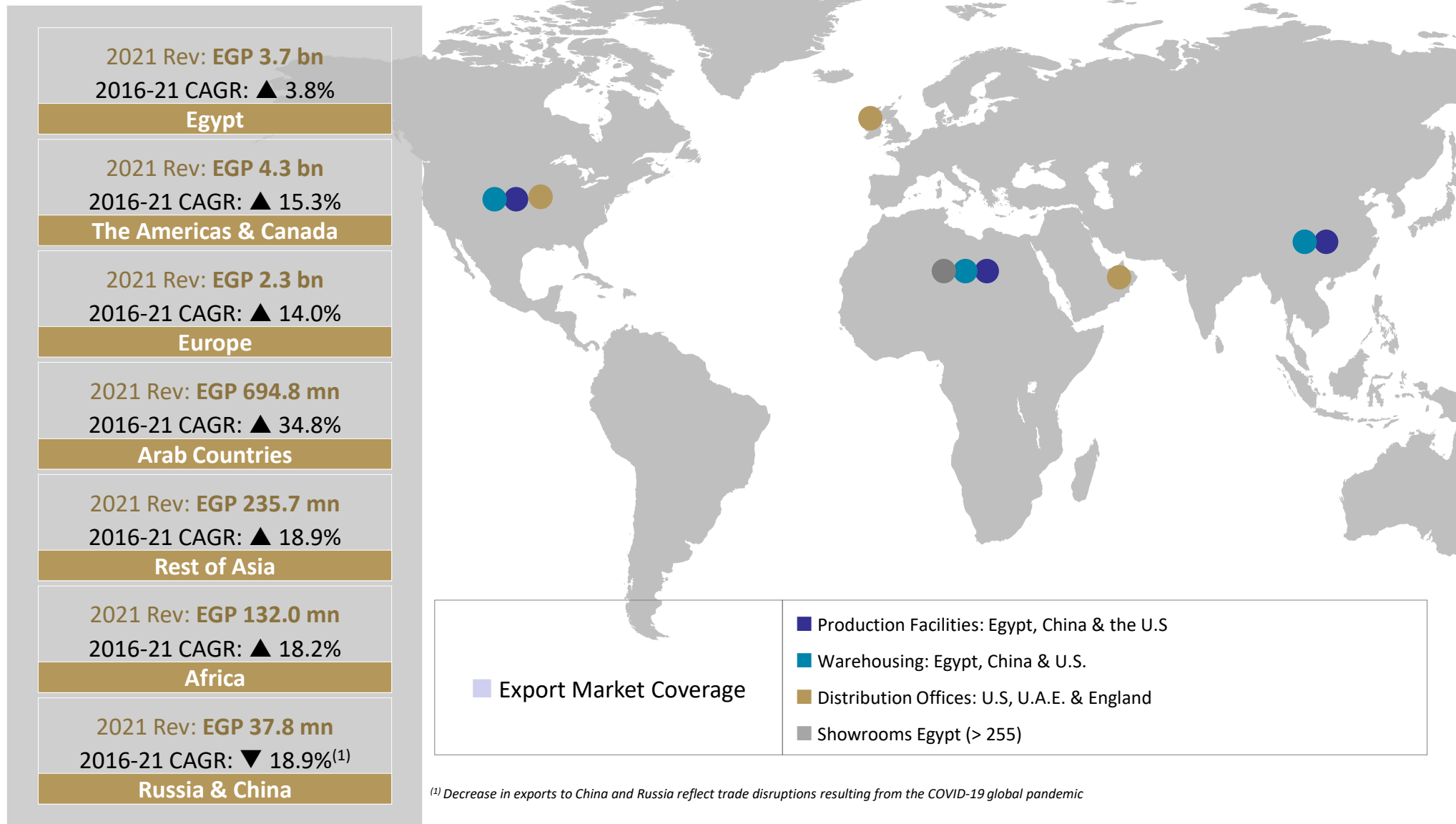
Diversified Product Mix

Key Products



Investment Highlights

Expansive Global Footprint



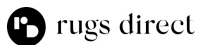
Investment Highlights

Fast-Growing Online Presence

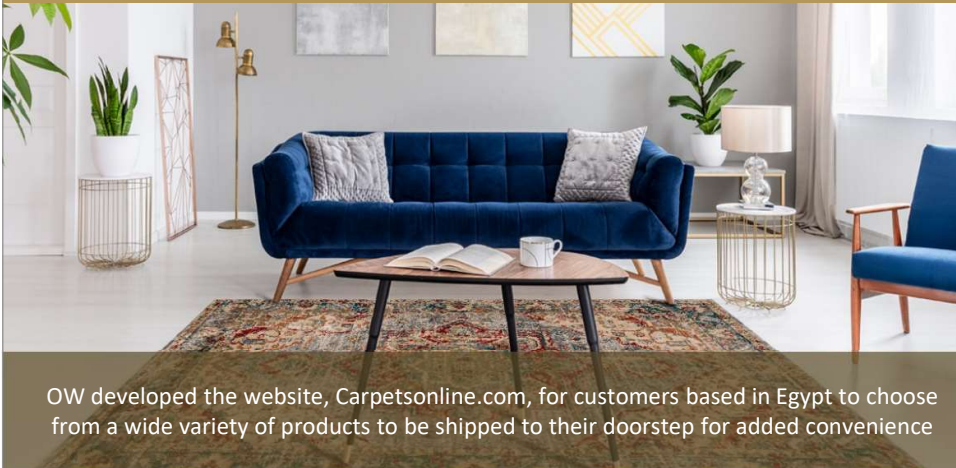
Oriental Weavers has seen consistent growth in its online business as consumers become increasingly comfortable with marking large online purchases.

This has been further emphasized by the onset of the COVID-19 global pandemic and its resulting social distancing restrictions across the U.S.

Key Online Sales Clients



Carpetsonline.com



OW developed the website, Carpetsonline.com, for customers based in Egypt to choose from a wide variety of products to be shipped to their doorstep for added convenience

Virtual Showroom ([LINK](#))



As part of its digital transformation plan, OW utilized VR techniques to create its own virtual showroom for the Group's export clients

Investment Highlights

Established Media Presence

Oriental Weavers in the Media | Selected Appearances



Forbes Middle East

The Middle East Power Businesswomen 2021

Ranked 27th

Yasmine & Farida Mohamed Khamis



We Serve International Blue-Chip Retailers....

Key Retail Clients

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



Investment Highlights

...and Premier Hospitality Partners

Key Hospitality Clients

OW Hospitality, the London-based hospitality carpeting arm of OW, is the preferred supplier of broadloom carpets for luxury hotels worldwide



Investment Highlights

Well-Invested Production Facilities (1 of 3)

The Group enjoys extensive production capabilities in Egypt and abroad through its vertically integrated production facilities

Woven Segment Annual Capacity | 77m m2



Oriental Weavers Carpet Company

4

Carpet
Production
Facilities

Established in 1979 as the main holding company, Oriental Weavers Carpet Company produces three grades (A, B and C) of machine woven carpets and rugs for the Egyptian market.

Oriental Weavers International

7

Carpet
Production
Facilities

Established in 1998, OWI's vertically integrated facilities in 10th of Ramadan City encompass the scope of extrusion of synthetic fibers, dyeing & spinning wool, and the weaving and finishing of products for residential and commercial use include carpets, rugs and upholstery.

6

Fiber
Production
Facilities

Oriental Weavers Textiles

2

Carpet
Production
Facilities

Located in a private free zone area, Oriental Weavers Textiles is an export-oriented company which specializes in the production of high-quality rugs and carpets with a focus on reduced environmental impact and optimized processes through the investment in modern technology

Well-Invested Production Facilities (2 of 3)

Woven Segment Annual Capacity | 76m m2



**United States
Production Facility**

1
Carpet
Production Facilities

Oriental Weavers USA is based in Dalton, Georgia established in 1991. Combines both a manufacturing facility and a sales and distribution arm. It has become one of the most influential and largest players in the American market branded as Sphinx . 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.

Investment Highlights

Well-Invested Production Facilities (3 of 3)

Tufted Segment



Tufted Segment Annual Capacity | 48.1 m m²

**MAC Carpet
“Fiber Factory”**

4

Production Facilities

MAC Carpet “Fiber Factory” is Oriental Weavers’ foothold in the tufted carpeting segment, whose offering includes wall-to wall carpeting, indoor and outdoor rugs and mats, car mats, three-dimensional advertising floor panels, runners, and artificial turf for indoor and outdoor applications.

Non-Woven Segment



Non-Woven Segment Annual Capacity | 23m m²

**Egyptian
Fibers
Company**



Raw Materials

2

Production Facilities

EFCO utilizes the latest production technologies to produce master batch, polypropylene staple fiber, and needle felt carpets, including wall-to-wall carpeting indoor/outdoor rugs, underlay rolls and rug pads, car mats and bath mats.

Investment Highlights

Supportive Economic & Demographic Dynamics (1 of 2)

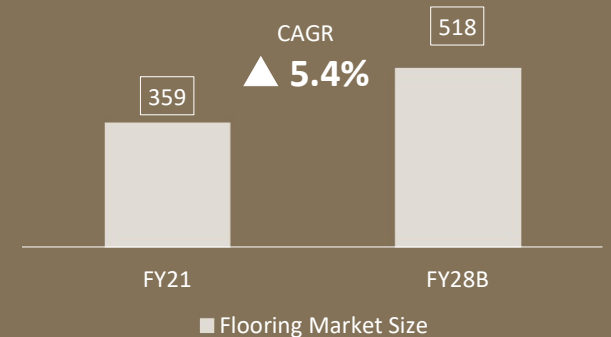
Change in consumer behavior after spending time at home, has caused more household spending

Online merchants require large inventories and thus they continue to secure sufficient stocks of goods which lead to consistently growth in sales

Significant pick-up in sales due to online shopping activities, has been further bolstered by the onset of the pandemic

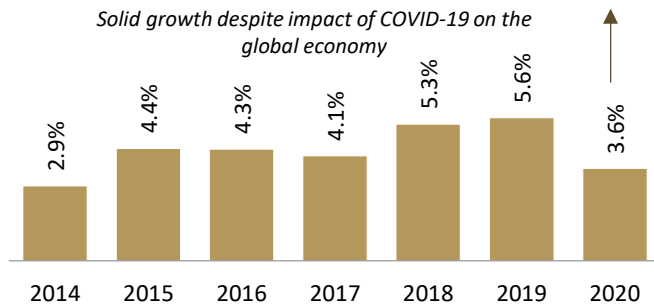
ORWE's positioning in large chains that specialize in essentials, such as Costco, has also played a major role in securing sales

Global Flooring Market Size (USD bn)

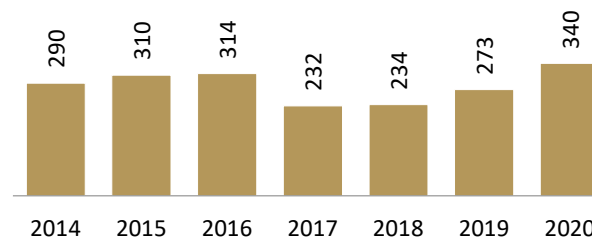


Supporting Market Drivers

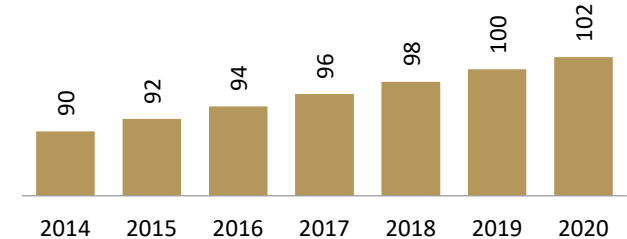
Accelerating Economic Growth⁽¹⁾ Egypt's GDP (%)



Growing Consumption⁽²⁾ Final Consumption Expenditure (USD bn)



15th Largest Population Globally⁽³⁾ Population (billions)



Source: ⁽¹⁾ The Central Bank of Egypt ⁽²⁾ The World Bank ⁽³⁾ The World Bank

Investment Highlights

Supportive Economic & Demographic Dynamics (2 of 2)

Supportive Government Initiatives

Through the Ministry of Finance (MOF) and the Export Development and Support Fund, subsidies are paid out to Egyptian companies via Egypt's Export Subsidies Program

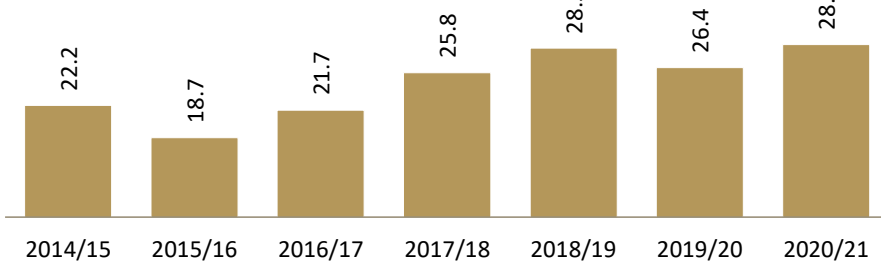
The upcoming program includes developing and enhancing exports to African and other new markets, and supporting land, sea & airfreight exports & their supporting infrastructure

With c. 94% of Egypt's imported machine-made carpets originating from Turkey, the government has also imposed anti-dumping fees ranging from 23-33% on Turkish carpet imports

Egyptian Exports Progression¹ | USD bn

5-Year CAGR: 6.4%

Egypt's IMF Reform Plan Commences



Source: ⁽¹⁾ The Central Bank of Egypt

Advantages of Manufacturing in and Exporting from Egypt

Egypt | A gateway to more almost 3 billion consumers across 5 continents



Low-cost skilled labor



Abundance of natural resources/raw materials



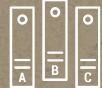
Proximity to major global markets



Improving bureaucratic/tax regulations



More than 8 preferential trade agreements currently in place



Strong reform and modernization

Experienced & Growth-Oriented Leadership

With more than 20 years served with Oriental Weavers each, the Group's world-class executive management team, many of whom also serve on OW's board of directors, have been instrumental in the Group's long-term success, with each member contributing in their own way to develop OW into a leading global producer in the machine-made carpets.

Key Select Executive Management Team & Board Members







Results-driven Leadership



Investment Highlights

Solid Corporate Governance Structure

Over the last 4 decades, Oriental Weavers has evolved from a family business to become one of the leading manufacturers of machine-made rugs globally, and a key Egyptian stock among retail and institutional investors. With this growth comes responsibility, and to this end the Group has built up a strong corporate governance framework in order to ensure that stakeholder interests are protected.

Role of the Board	
Monitoring  <p>Reviews, approves, and monitors the long-term strategic objectives and business plans of the management team.</p>	In-time Reporting  <p>Effective and in-time reporting is essential to the board's function who in turn ensure that the Group is operating at its full potential</p>
Agenda Items for BOD Meetings  <p>The Board Chairman sets the agenda for the board meetings in cooperation with the directors to ensure all significant topics are discussed</p>	Code of Business Conduct & Ethics  <p>The board continuously reviews and updates the code of conduct to ensure compliance with applicable laws and regulations.</p>
Board Selection  <p>OW's board members are selected by shareholders through majority vote and renewed every three years</p>	Protecting Shareholder Rights  <p>No significant decisions are made without holding an Extraordinary General Assembly to discuss the matter and gain majority approval.</p>

Board Members		
Yasmine Mohamed Farid Khamis	Salah Abdel Aziz Abdel Motalab	Medhat Hussein
Non-Executive Chairman	Executive Board Member	Executive Board Member
Farida Mohamed Farid Khamis	Mohamed Mahmoud Fawzi Khamis	Amr Mahmoud Fawzy Khamis
Board Member	Board Member	Board Member
Ayman Ismail	Ashraf Bakry	Khaled Abdel Aziz Hegazy
Non- Executive Board Member	Non- Executive Board Member	Non-Executive Board Member
Misr Insurance Holding Company	Misr Life Insurance	Hani Amin
Non-Executive Board Member	Non-Executive Board Member	Executive Board Member
2 Female Board Members		
Board Committees		
Audit Committee <p>Oversees the accuracy of financial statements, compliance with legal requirements, the qualifications and independence of the Group's external auditors, and the Group's internal audits.</p>	Strategic Committee <p>Responsible for the annual update of the goals and objectives of the company and preparation of a three-year strategic plan. .</p>	Remuneration Committee <p>Responsible for setting remuneration for all executive directors and the chair , and recommending and monitoring the level and structure of remuneration for senior management..</p>

Investment Highlights

Successful Environmental Initiatives

Oriental Weavers puts social and environmental purpose on equal footing with economic profit by working to make environmentally friendly products with more sustainable inputs, in addition to making investments in the people that define and secure the Group's success in reducing its environmental impact.

Notable Achievements

Dedicated Focus



Oriental Weavers has a department dedicated to energy efficiency and environmental sustainability, and is currently ISO 14001 certified



As a result, the Group was honored in 2019 by the Green Economy Financing Facility (GEFF) in recognition of its pioneering environmentally sustainable production methods

Lighting



The Group is now using outdoor solar powered lights, which are enhanced with movement sensor capabilities and is currently rolling-out solar panel installations across all of its showrooms

Waste Management



Applied using the 3 R's methodology (Reduce – Reuse – Recycle), with about 30% of the generated solid waste are recycled internally, and EFCO manufacturing some of its products from recycled waste.

Water Savings



The Group carefully monitors and maintains responsible water consumption levels, ensuring zero liquid discharge throughout some of its manufacturing processes.

Planting O₂



In cooperation with OUD (the Group's holding real-estate arm), Oriental Weavers adopted tree planting initiatives to offset Carbon Dioxide emissions.

Environmental KPIs | 2021

140k tons

Av. Annual Carbon Emissions

7.5k tons

CO₂ Reduction

9k tons

Trees Offset CO₂

15 kMWh

Energy Saving

403k trees

Trees Planted

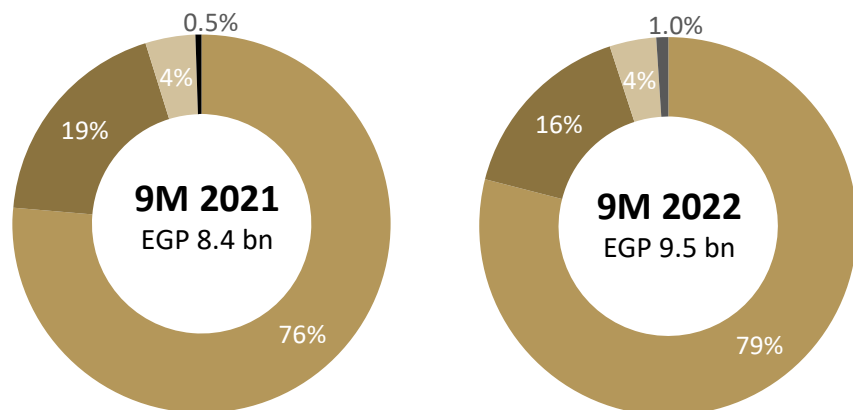
The background of the slide is an abstract composition. The upper portion features a dark grey wall with a large, recessed circular shape and a series of white, stepped geometric blocks on the left. To the right, two black, stylized, organic shapes resembling vases or sculptures sit on a white surface. The lower portion of the slide is dominated by a large, rectangular area with a complex, textured pattern in shades of brown, tan, and black, resembling a stone or aged paper surface.

9M 2022 Financial Performance

9M22 Financial Performance

Revenues & Volumes by Product

Revenue Breakdown | 9M 2021/2022



Woven	+ 2.9 pps
Tufted	- 2.9 pps
Non-Woven	+ 0.2 pps
Fibers & Others	+ 0.2 pps

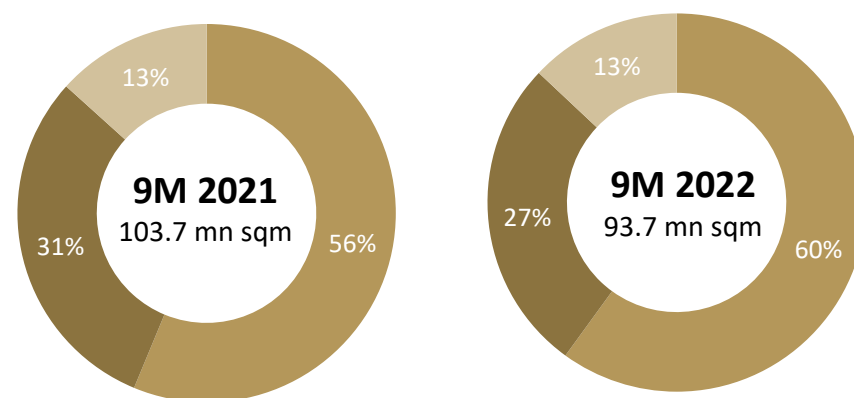
Woven + 17% YoY

Revenues from the woven segment grew by 17% YoY to EGP 7.5bn, and contributed the majority to overall revenue growth, at 79%, primarily on the back of an increase in the demand of Grade B products and driven primarily by price adjustments and changes in product mix.

Tufted - 4% YoY

Revenues from the tufted segment declined by 4% YoY to EGP 1.5 bn in 9M22. This drop was owing to the fact that the US region constitutes around 50% of the tufted export segment revenues. As US is facing a slowdown across all aspects, consequently it impacted sales.

Volume Breakdown | 9M 2021/2022



Woven	+ 3.6 pps
Tufted	- 3.8 pps
Non-Woven	+ 0.3 pps
Fibers & Others	n/a ⁽¹⁾

Non-Woven + 9% YoY

Revenues from OW's non-woven segment grew by 9% YoY to EGP 402 mn in 9M22. Revenue growth was driven by price increases, enhanced product mix and devaluation impact

Fibers & Others + 41% YoY

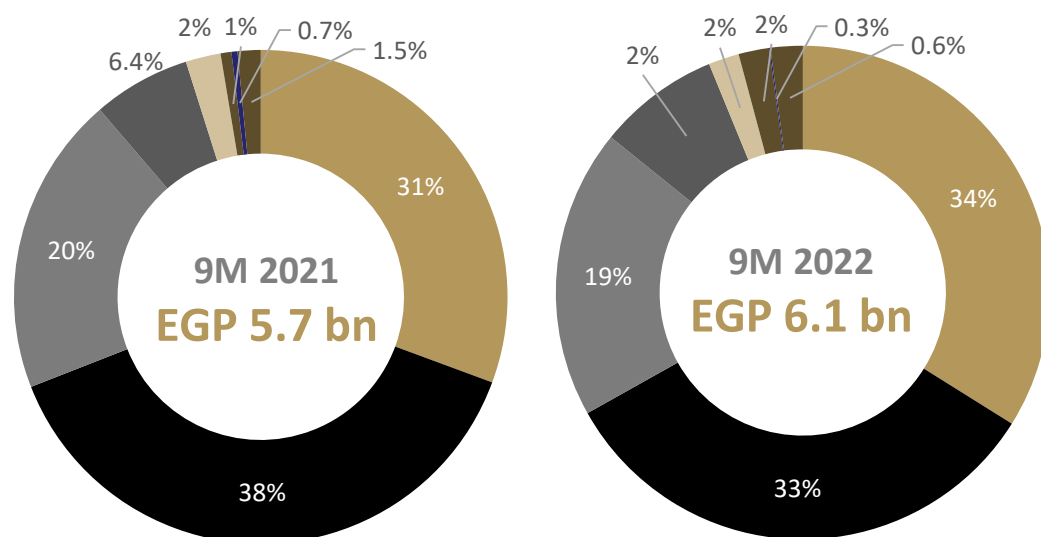
Revenues from fibers & others came in at EGP 73 mn,.

(1) Volume excludes Fibers & Others

9M22 Financial Performance

Revenues by Region

Revenue Breakdown | 9M 2021/2022



YoY Contribution Change (pps)

Egypt	+ 3.2 pps	Asia	+ 0.1 pps
America & Canada	- 5.1 pps	Africa	+ 0.8 pps
Europe	- 1.9 pps	Russia & China	- 0.2 pps
Arab Countries	+ 1.4 pps	Contract & Hotels	+ 0.8 pps

Egypt

+25.0 YoY

Local revenues grew by 25.0% YoY to record EGP 3.3bn in 9M22, driven by growth in both showroom and wholesale revenues during the period. In addition to price increase implemented during the period. Showroom sales increased by 30% and Wholesale increased by 19% during 9M 22

America & Canada

-2% YoY

Revenues from exports to North and South America declined by 2% YoY to record EGP 3.2bn in 9M22. As consumer discretionary spending is being eroded by energy and other inflationary pressure. The drop in sales is also attributed to high level of inventory in retail shops as a result of 2021 overstocking.

Europe

+8% YoY

Revenues from European exports grew by 8% YoY to come in at EGP 1.8bn in 9M22. This was supported by shipments to OW's key European customer. In addition to, a strong flow of orders from Germany, France and the UK specifically, as new clients were secured in the region.

Arab Countries

+37% YoY

Revenues from Arab countries, representing the GCC region, grew by 37% to come in at EGP 735 mn in 9M22 on the back of a ramp-up in sales to the KSA, a result of the Group's effort to grow its market share in the Kingdom.

Contracts & Hotels

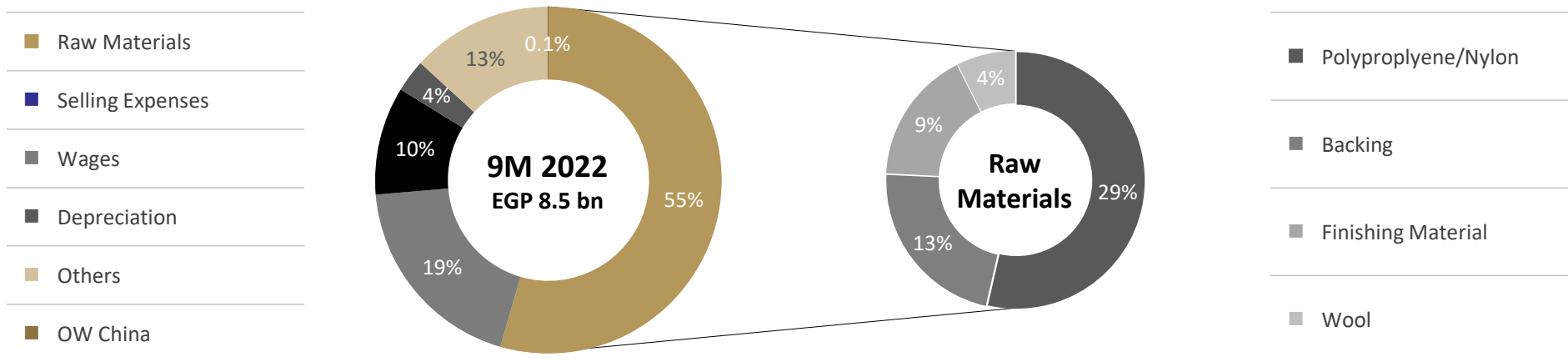
+180% YoY

Revenue from contracts & hotels from local and export increased by 181% YoY in 9M22. In the local segment, sales are up as OW installed several projects, including Hotels, Mosques, Universities and New Administrative Capital related projects. In the export segment, sales witnessed a recovery in the hospitality segment compared to the pandemic era.

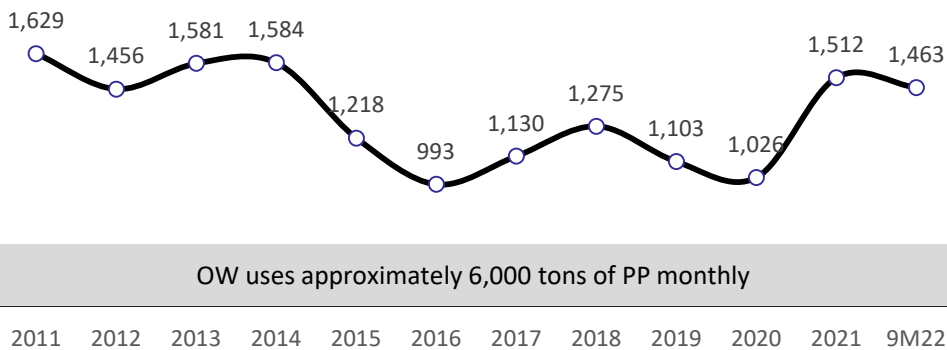
9M22 Financial Performance

Cost of Sales Analysis

Cost of Sales Breakdown | 9M 2022



Polypropylene Prices | USD/ton

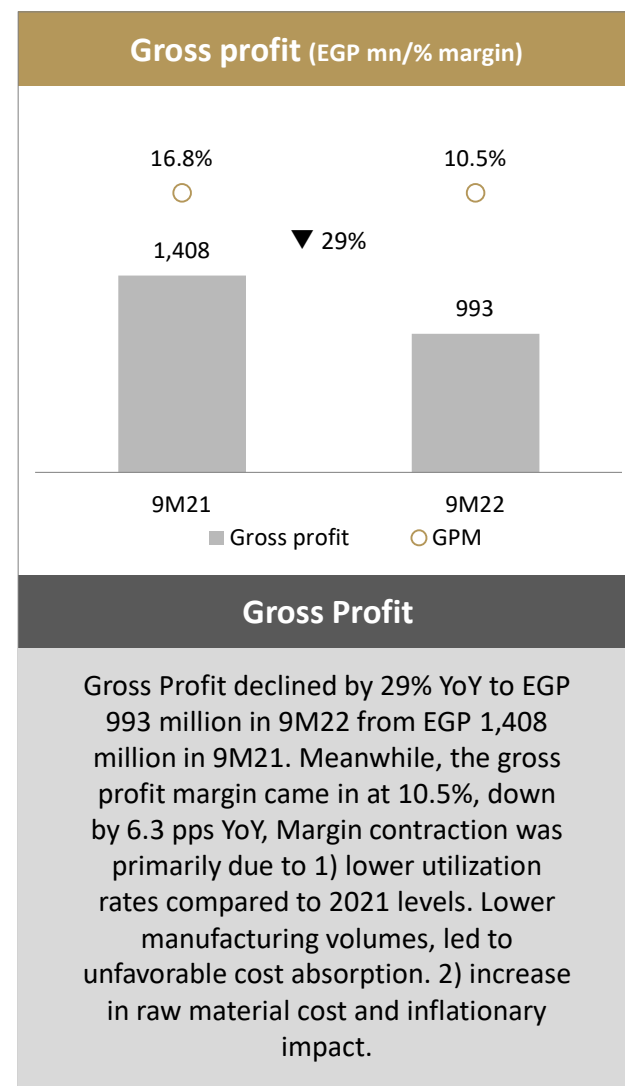
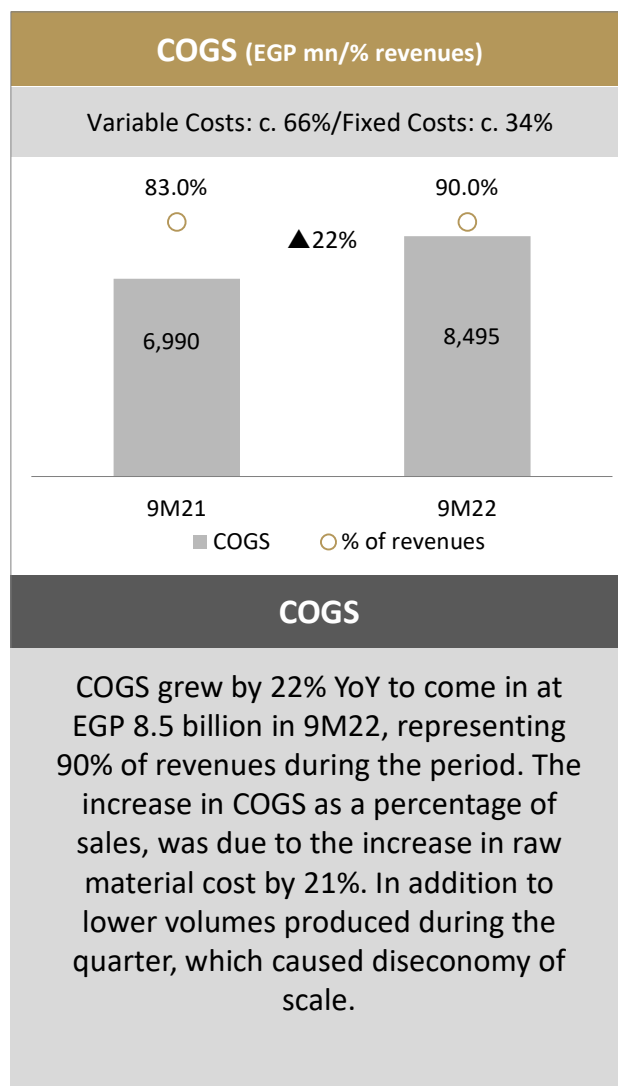
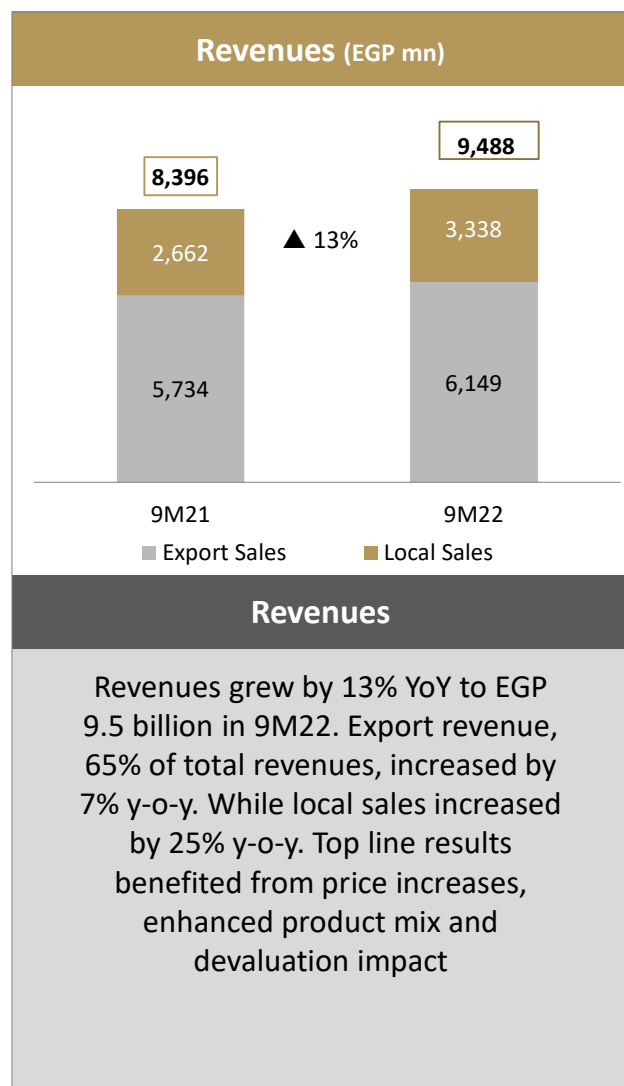


Cost of Sales

Raw materials makes up the majority of cost of sales, contributing 55% to its total in 9M22, with polypropylene purchases being its largest component. On a 9M basis, Polypropylene cost increased by 16% y-o-y. The increase in raw material costs was partially mitigated by the price hikes applied during the period. Selling expenses came in next, contributing 19% to total cost of sales in 9M22, followed by wages at 10%, depreciation at 3% and others at 13%..

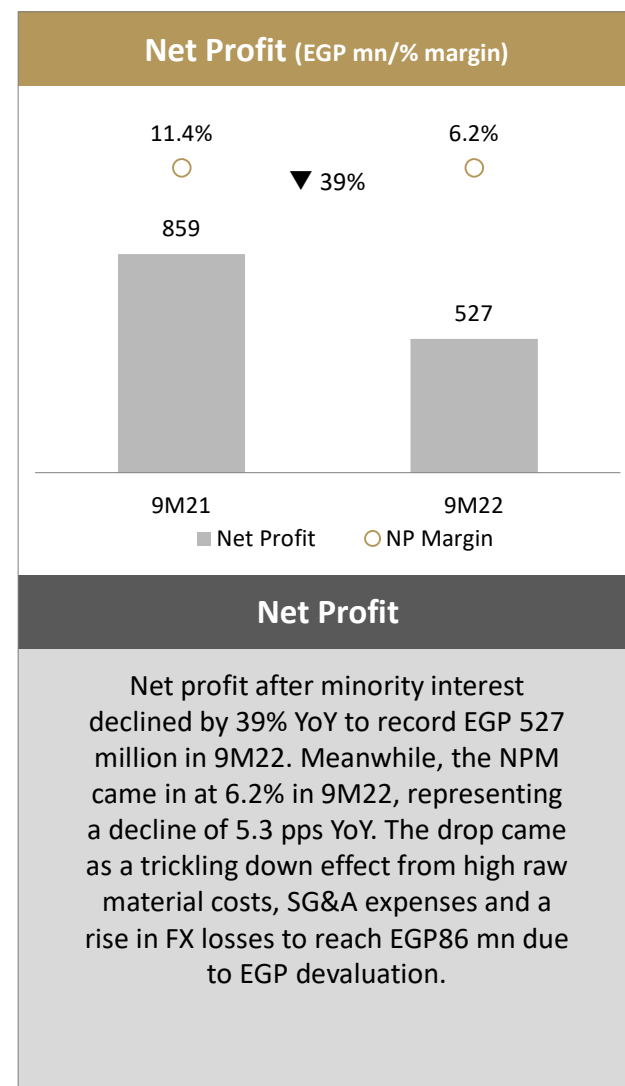
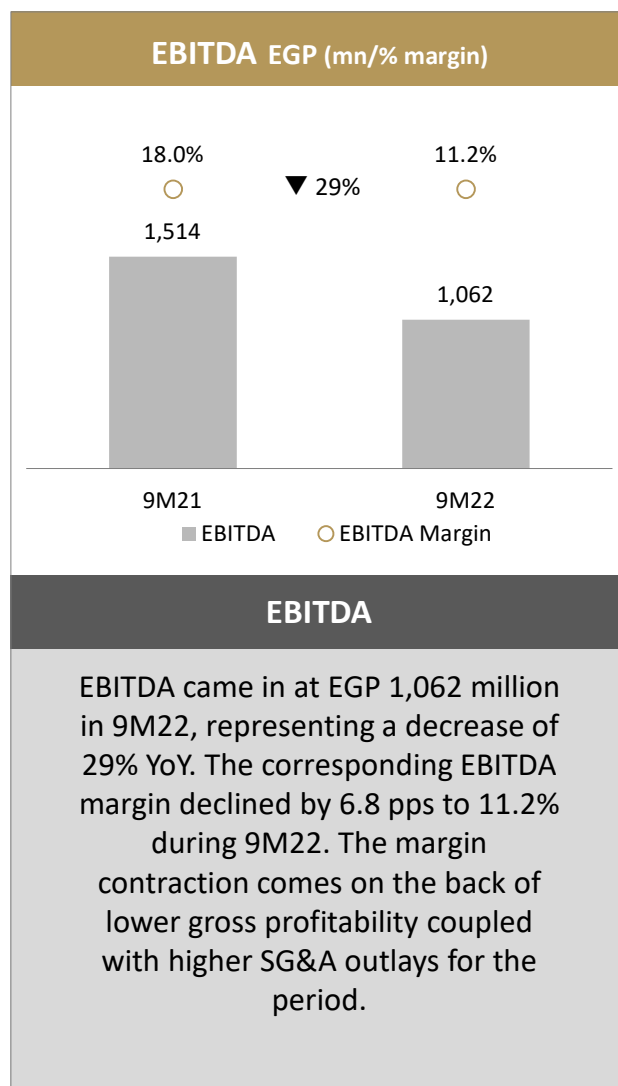
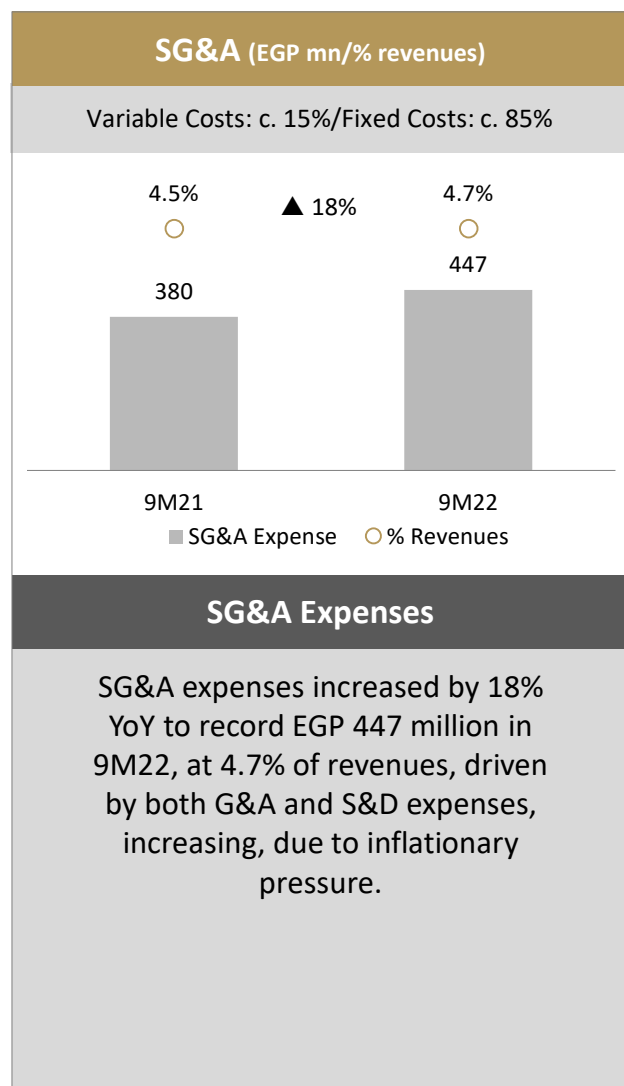
9M22 Financial Performance

Income Statement Highlights



9M22 Financial Performance

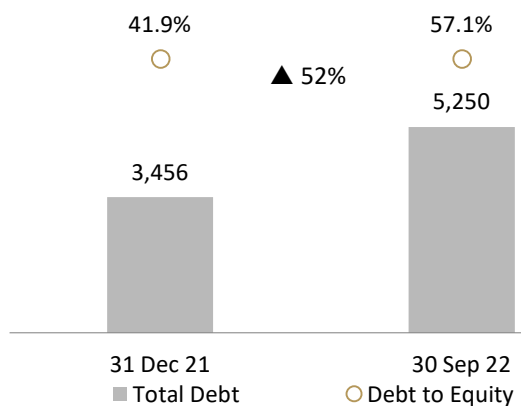
Income Statement Highlights



9M22 Financial Performance

Balance Sheet & Other Highlights

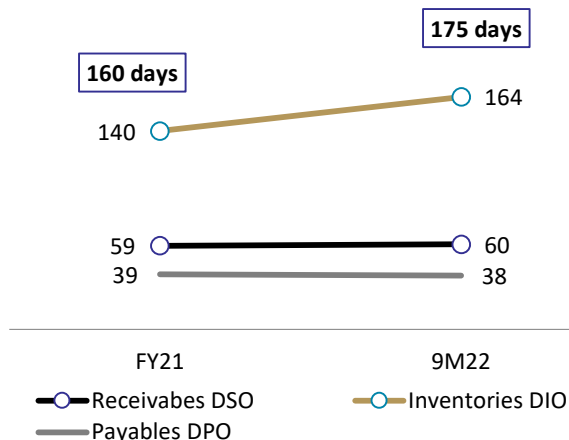
Total Debt (EGP mn)



Total Debt

Total Debt came in at EGP 5.2 bn in 9M22, up by 52% YTD primarily due to the local currency devaluation and the increase in working capital. On September 30th 2022, OW debt breakdown was 56% USD, 12% Euro and 31% EGP.

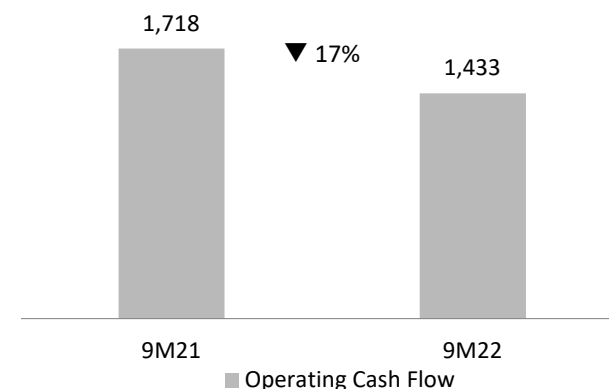
Cash Conversion Cycle (Days)



Cash Conversion Cycle

The Group's overall cash conversion cycle reached 175 days in 9M22. The increase in the CCC is mainly attributable to the increase in inventory DOH from 140 days to 164 days. This trend is expected to decline in 1Q23

Operating Cash Flow (EGP mn)



Operating Cash Flow

The decrease in net profit resulted in decrease in liquidity, with the Group's operating cash down YoY, by 17% to record EGP 1,433 million in 9M22

The background is a composite image. On the right, a large, ornate Persian rug with a dark blue field and intricate gold and red patterns is visible. On the left, a set of white stairs with a dark railing leads upwards. In the upper left, a circular mirror with a dark frame reflects a scene. The text "Forward-Looking Strategy" is centered in a gold, serif font, overlaid on a semi-transparent dark rectangle.

Forward-Looking Strategy

Forward-Looking Strategy

Key Growth Avenues

Our strategy is to leverage our scale, expertise, branding and competitive position to capture growing global demand for our products through the four pillars listed below



1

**Improve Production
Capabilities**



2

**Develop Product
Portfolio**



3

**Expand Local
Market Reach**



4

**Grow Export
Market Share**



5

**Digitize & Enhance
Customer Experience**



6

**Improve HSE
Framework**



Forward-Looking Strategy

CAPEX for 2022



For 2022: 5 Looms arrived – 2 will arrive in the coming 1-2 months. Planned CAPEX* of c.USD 10mn in 2023, with 5 looms, will see overall capacity grow by 3%

*Capex plan includes machinery/looms only

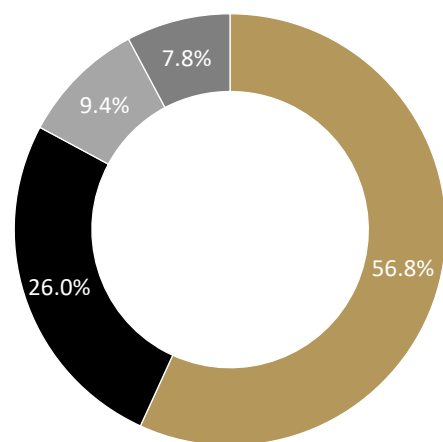




Investor Relations

Share and Shareholding Overview

Ownership Structure



■ The Khamis Family & Related Entities

■ Foreign Institutions

■ Local Institutions

■ Retail

Ticker	ORWE
Issued Shares	665,107,268
Par Value/Share	EGP 1.0
Listing Venue	The Egyptian Stock Exchange

Extensive Analyst Coverage

Oriental Weavers | Financial Coverage

Thanks to its strong performance and solid IR framework, Oriental Weavers enjoys wide coverage from multiple reputable financial houses



Appendix

Disclaimer

This presentation contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be identified by the use of such words and phrases as “according to estimates”, “aims”, “anticipates”, “assumes”, “believes”, “could”, “estimates”, “expects”, “forecasts”, “intends”, “is of the opinion”, “may”, “plans”, “potential”, “predicts”, “projects”, “should”, “to the knowledge of”, “will”, “would” or, in each case their negatives or other similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans, or expectations regarding business and management, future growth or profitability and general economic and regulatory conditions and other matters affecting the Company.

Forward-looking statements reflect the current views of the Company’s management (“Management”) on future events, which are based on the assumptions of the Management and involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The occurrence or non-occurrence of an assumption could cause the Company’s actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements.

The Company’s business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to differ materially from those expressed or implied by the forward-looking statements contained in this prospectus. The information, opinions and forward-looking statements contained in this communication speak only as at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this communication.

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