ORIENTAL WEAVERS CARPETS COMPANY

(An Egyptian Joint Stock Company)

Consolidated Financial Statements

For The Financial period ended September 30, 2024

Together With Limited Review Report

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Translation from Arabic

Limited Review Report

To The Members of Boards of Directors Of
ORIENTAL WEAVERS COMPANY FOR CARPETS

Introductory

We have reviewed the accompanying consolidated financial position of Oriental Weavers Company for Carpets "S.A.E" at September 30, 2024 and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the nine months then ended, and a summary of significant accounting policies and other explanatory notes. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these consolidated financial statements based on our review.

Scope of limited review

We conducted our review in accordance with the Egyptian Standard on Review Engagements 2410 "Review of Interim Financial Statements Performed by the Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not give a true and fair view for the consolidated financial position of the Company as of September 30, 2024 and of its financial performance and its cash flows for the nine months then ended in accordance with Egyptian Accounting Standards.

Cairo: November 14, 2024

Auditor

Tarek Salah

Tarek Salah

B.T. Mohamed Hilal & Wahid Abdel Ghaffar.

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)
Consolidated statement of financial position as of September 30, 2024

(All amounts are in Egyptian Pounds)

	Note №	30/9/2024	31/12/2023
Non current assets			
Fixed assets	(6)	8 449 146 403	6 374 016 607
Projects in progress	(7)	454 525 647	269 337 810
Right of use assets	(8)	553 851 206	455 071 409
Investments at fair value through other comprehensive income	(9)	994 202 202	649 105 349
Total non current assets		**10 451 725 458**	**7 747 531 175**
Current assets			
Inventory	(10)	10 788 923 059	6 927 440 585
Trades and notes receivable	(11)	4 472 036 500	3 162 570 053
Debtors and other debit accounts	(12)	1 095 519 637	714 653 249
Treasury bills	(13)	2 602 552 665	2 127 279 974
Financial assets at fair value through profit or loss	(14)	9 579 622	--
Financial assets at amortized cost	(15)	380 069 643	628 791 306
Cash at banks and on hand	(16)	3 068 653 728	1 799 725 616
		22 417 334 854	**15 360 460 783**
Non-current assets held for sale	(17)	26 520 263	--
Total current assets		**22 443 855 117**	**15 360 460 783**
Total assets		**32 895 580 575**	**23 107 991 958**
Equity			
Issued and paid up capital	(19)	665 107 268	665 107 268
Reserves	(20)	2 043 642 951	1 794 626 861
Retained earnings		1 171 033 377	704 841 104
Net profit for the period / year		1 862 932 850	1 740 203 598
Exchange differences arising on translation of financial statements		12 154 101 269	7 904 577 917
Total equity attributable to the parent company		**17 896 817 715**	**12 809 356 748**
Non controlling interest	(21)	2 030 777 959	1 361 533 283
Total equity		**19 927 595 674**	**14 170 890 031**
Non current liabilities			
Long term loans	(22)	167 519 840	246 047 654
lease contracts liabilities	(23)	487 808 927	398 927 103
Deferred tax liabilities	(24)	118 841 027	149 355 442
Total non current liabilities		**774 169 794**	**794 330 199**
Current liabilities			
Provisions	(25)	294 462 875	225 516 257
Banks-Credit accounts	(26)	6 245 642 206	4 190 742 160
Lease contracts liabilities - current portion	(23)	140 406 963	114 568 544
Long term liabilities - current portion	(22)	383 340 958	240 204 176
Trades and notes payable	(27)	3 069 955 328	2 161 616 663
Dividends payable		168 829 012	56 816 046
Creditors and other credit accounts	(28)	1 553 059 410	974 651 595
Tax payable		338 118 355	178 656 287
Total current liabilities		**12 193 815 107**	**8 142 771 728**
Total liabilities		**12 967 984 901**	**8 937 101 927**
Total equity and liabilities		**32 895 580 575**	**23 107 991 958**

The accompanying notes from №.(1) to №. (35) form an integral part of these consolidated financial statements.
limiited review report attached

Chairman	**CEO**	**Group CFO**	**CFO**
Yasmin Mohamed Farid Khamis	**Hazem shawki Al-Zafzaf**	**Hanee afia**	**Shehta Farouk Imam**

Translation from Arabic

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Consolidated statement of income for the financial period ended September 30, 2024

(All amounts are in Egyptian Pounds)

	Note №	From1/1/2024 Till 30/9/2024	From1/1/2023 Till 30/9/2023	From1/7/2024 Till 30/9/2024	From1/7/2023 Till 30/9/2023
Net sales		17 201 829 636	12 873 715 798	6 422 301 978	4 474 919 243
Less:					
Cost of sales		14 631 922 915	11 051 918 316	5 517 968 551	3 808 631 335
Gross profit		**2 569 906 721**	**1 821 797 482**	**904 333 427**	**666 287 908**
Add / (less):					
Financial investments income		171 384 850	239 865	26 129 748	126 345
Capital gain		26 842 274	15 332 300	4 502 833	3 275 666
Reverse of impairment of assets held for sale		--	251 001 276	--	2 520 806
Gain from the sale of assets held for sale		--	34 761 620	--	--
Other revenues		550 024 510	329 551 549	21 866 527	322 628 992
Treasury bills returns		416 483 854	148 995 479	143 211 319	43 452 508
Financial Assests at amortized cost - returns		41 570 991	--	9 701 426	--
Interest income		154 939 254	73 158 016	72 737 293	34 695 432
Distribution expenses		(189 813 667)	(144 996 136)	(62 425 486)	(52 133 052)
General and administrative expenses		(466 293 008)	(387 033 107)	(163 304 159)	(136 555 783)
Expected credit loss	(18)	13 867 481	(73 993 029)	22 787 110	(47 691 941)
Formed provisions and impairment	(25)	(55 213 210)	(44 148 699)	(8 915 664)	(22 119 312)
Finance expenses	(29)	(414 723 687)	(330 581 588)	(139 848 909)	(119 475 137)
Foreign exchange differences		(249 640 592)	(151 306 988)	(58 255 615)	17 263 089
Net profit for the period before income tax		**2 569 335 771**	**1 542 778 040**	**772 519 850**	**712 275 521**
(Less)\ Add:					
Current income tax		(404 036 880)	(166 112 156)	(72 750 173)	(65 347 218)
Deferred tax		7 826 614	5 770 646	1 163 942	2 109 878
Income tax for the period		**(396 210 266)**	**(160 341 510)**	**(71 586 231)**	**(63 237 340)**
Net profit for the period after income tax		**2 173 125 505**	**1 382 436 530**	**700 933 619**	**649 038 181**
Attributable to:					
The parent company		1 862 932 850	1 296 515 087	614 751 276	596 069 570
Non controlling interest		310 192 655	85 921 443	86 182 343	52 968 611
		2 173 125 505	**1 382 436 530**	**700 933 619**	**649 038 181**
Basic earnings per share in the separate financial statements	(30)	**2.85**	**1.57**	**0.25**	**0.10**

The accompanying notes from №.(1) to №. (35) form an integral part of these consolidated financial statements.

Chairman	CEO	CFO	CFO
Yasmin Mohamed Farid Khamis	Hazem shawki Al-Zafzaf	Hanee afia	Shahata Farouk Imam

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Consolidated statement of comprehensive income for the financial period ended September 30, 2024

(All amounts are in Egyptian Pounds)

	From1/1/2024 Till 30/9/2024	From1/1/2023 Till 30/9/2023	From1/7/2024 Till 30/9/2024	From1/7/2023 Till 30/9/2023
Net profit for the period	**2 173 125 505**	**1 382 436 530**	**700 933 619**	**649 038 181**
Other comprehensive income				
Changes in fair value of investments at FVTOCI	77 983 656	(118 662 869)	1 170 081	--
Translation exchange differences	4 692 831 277	2 055 275 637	61 720 527	193 235 798
Deferred tax related to other comprehensive income items	--	(50 390 954)	--	--
Total other comprehensive income after tax	**4 770 814 933**	**1 886 221 814**	**62 890 608**	**193 235 798**
Total comprehensive income for the period	**6 943 940 438**	**3 268 658 344**	**763 824 227**	**842 273 979**
Attributable to:				
The parent company	6 190 331 658	3 039 154 421	671 251 528	788 631 824
Non controlling interest	753 608 780	229 503 923	92 572 699	53 642 155
	6 943 940 438	**3 268 658 344**	**763 824 227**	**842 273 979**

The accompanying notes from №.(1) to №. (35) form an integral part of these consolidated financial statements.

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Consolidated statement of changes in equity for the financial period ended September 30, 2024

(All amounts are in Egyptian Pounds)

	Issued and paid up capital	Reserves	Retained earnings	Net profit	Translation differences	Equity holders of the parent	Non controlling interest	Total equity
Balance at 1/1/2023	**665 107 268**	**1 871 386 892**	**453 330 880**	**842 885 161**	**6 258 366 013**	**10 091 076 214**	**1 164 176 233**	**11 255 252 447**
Transferred to reserves	---	49 317 873	---	(49 317 873)	---	---	---	---
Transferred to retained earnings	---	---	793 567 288	(793 567 288)	---	---	---	---
Dividends	---	---	(613 045 927)	---	---	**(613 045 927)**	(98 466 315)	**(711 512 242)**
Adjustments related to consolidated statements	---	(651 379)	71 789 952	---	(195 397 117)	**(124 258 544)**	255 168	**(124 003 376)**
Total Comprehensive income for the period	---	(100 687 610)	--	1 296 515 087	1 843 326 942	**3 039 154 419**	229 503 923	**3 268 658 342**
Balance at 30/9/2023	**665 107 268**	**1 819 365 776**	**705 642 193**	**1 296 515 087**	**7 906 295 838**	**12 392 926 162**	**1 295 469 009**	**13 688 395 171**
Balance at 1/1/2024	**665 107 268**	**1 794 626 861**	**704 841 104**	**1 740 203 598**	**7 904 577 917**	**12 809 356 748**	**1 361 533 283**	**14 170 890 031**
Transferred to reserves	---	171 140 634	---	(171 140 634)	---	---	---	---
Transferred to retained earning	---	---	1 569 062 964	(1 569 062 964)	---	---	---	---
Dividends	---	---	(1 102 870 691)	---	---	(1 102 870 691)	(84 364 104)	**(1 187 234 795)**
Total Comprehensive income for the period	---	77 875 456	---	1 862 932 850	4 249 523 352	6 190 331 658	753 608 780	**6 943 940 438**
Balance at 30/9/2024	**665 107 268**	**2 043 642 951**	**1 171 033 377**	**1 862 932 850**	**12 154 101 269**	**17 896 817 715**	**2 030 777 959**	**19 927 595 674**

The accompanying notes from №.(1) to №. (35) form an integral part of these consolidated financial statements.

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Consolidated statement of cash flow for the financial period ended September 30, 2024

(All amounts are in Egyptian Pounds)

	Note №	30/9/2024	30/9/2023
Cash flows from operating activities			
Net profit for the period before income tax		2 569 335 771	1 542 778 040
Adjustments to reconcile net profit to net cash provided by operating activities			
Fixed assets depreciation		840 909 985	596 110 987
Depreciation of right of use assets		96 272 485	84 841 895
Formed provisions and impairment		55 213 210	44 148 699
Expected credit loss		(13 867 481)	73 993 029
Interest income		(154 939 254)	(73 158 016)
Reverse of impairment of assets held for sale		--	(251 001 276)
Gain from the sale of assets held for sale		--	(34 761 620)
Finance expenses		414 723 687	330 581 588
Treasury bills returns		(416 483 854)	(148 995 479)
Financial investments revenues		(171 384 850)	(239 865)
Capital (gain)		(26 842 274)	(15 332 300)
Operating profits before changes in working capital		**3 192 937 425**	**2 148 965 682**
Change in :			
Inventory		(1 291 988 725)	(93 958 344)
Trades and notes receivable and debit accounts		863 565 859	(233 314 972)
Trades and notes payable and credit accounts		(273 021 365)	570 093 429
Cash flows provided by operating activities		**2 491 493 194**	**2 391 785 795**
Proceeds from interest income		154 939 254	73 158 016
Finance expenses paid		(414 723 687)	(330 581 588)
Income tax paid		(244 574 812)	(147 431 687)
Net cash flows provided by operating activities		**1 987 133 949**	**1 986 930 536**
Cash flows from investing activities			
(Payments) for purchase of fixed assets and projects in progress		(558 915 650)	(325 112 076)
(Payment) for purchase financial investments		(5 191 061)	--
Proceeds from financial investments		171 384 850	239 865
(payment) for purchase financial assets fair value through profit or loss		(9 579 622)	--
Proceeds from sale of fixed assets		159 347 499	25 947 326
(Payments) for purchase of treasury bills		(5 198 817 882)	(1 844 722 870)
Proceeds from treasury bills		5 180 044 466	3 170 315 025
Proceeds for financial assets at amortized cost		557 264 679	(87 809 766)
Proceeds from sale of assets held for the sale		--	304 848 047
Net cash flows provided by investing activities		**295 537 279**	**1 243 705 551**
Cash flows from financing activities			
Proceeds (Payment) from banks-credit accounts		552 956 676	(995 177 671)
Dividends paid and payments for non controlling interest		(1 075 221 829)	(683 970 736)
Lease contracts liabilities paid		(81 942 229)	(90 940 503)
Exchange differences arising from translation of financial statements		(757 143 378)	(29 506 115)
(Payment) for long term loans		(100 642 901)	(215 750 780)
Net cash flows (used in) financing activities		**(1 461 993 661)**	**(2 015 345 805)**
Net change in cash and cash equivalents during the period		**820 677 567**	**1 215 290 282**
Cash and cash equivalents at the beginning of the period		2 273 365 237	2 195 234 848
Translation exchange differences related to cash and cash equivalents		487 891 559	151 957 177
Cash and cash equivalents at end of the period represents in:		**3 581 934 363**	**3 562 482 307**
Cash and cash equivalents	(16)	3 070 280 002	2 172 527 560
Treasury bills	(13)	2 602 552 665	1 389 954 747
Treasury bills due more than three months		(2 090 898 304)	--
Cash and cash equivalents		**3 581 934 363**	**3 562 482 307**

The amounts of LE (3 831 886 625) of the working capital items, LE (3 348 747 187) of the investment activities, LE 2 173 967 083 of the financing activities has been eliminated against the amount of LE 5 006 666 730 of the translation differences.

The accompanying notes from №.(1) to №. (35) form an integral part of these consolidated financial statements.

1 - 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 aboard.
- 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.

2 - BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

2-1 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.

2-2 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.

2- 3 New Editions and Amendments to Egyptian Accounting Standards:

On 3 March 2024, another decision was issued by the Prime Minister No. (636) of 2024 amending some other provisions of the Egyptian accounting standards, and the following is a summary of the most important of those amendments

(All amounts in Egyptian Pounds unless otherwise stated)

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
Egyptian Accounting Standard No. (34) amended 2024 "Investment Property "	The Egyptian Accounting Standard No. (34) "Investment Property" was reissued in 2024, to amend the fair value application mechanism by the mandate of recognizing the gain or loss arising from the change in the fair value of the investment property in the statement of profit or loss for the period in which the change arises or through the statement of other comprehensive income for one time in the life of the asset or investment, taking into account paragraphs (35a) and (35b) of the standard.	There is no impact on the company's' financial statements	The amendments to the amendment of addition of the option to use the fair value model apply to financial periods commencing on or after **January 1, 2024** with early adaption allowed retrospectively by recognizing the cumulative impact of the application of the fair value model initially by adding it to the opening balance of retained earnings/losses as at the beginning of the financial period in which the Company applies this model for the first time.
Egyptian Accounting Standard No. (17) amended 2024 "Separate Financial Statements"	Egyptian Accounting Standard No. (17) "Separate Financial Statements" was reissued in 2024, adding the option to use the equity method as described in Egyptian Accounting Standard No. (18) "Investments in Sister Companies" when accounting for investments in associates, sister companies and jointly controlled companies.	There is no impact on the company's' financial statements	The amendments shall apply to financial periods commencing on or after **January 1, 2024** with early adaption allowed retrospectively by recognizing the cumulative impact of the application of the equity method by adding it to the opening balance of retained earnings/losses as at the beginning of the financial period in which the Company applies this method for the first time.
Egyptian Accounting Standard No. (13) amended 2024 "Effects of changes in foreign exchange rates"	This standard was reissued in 2024, to add how to determine the spot exchange rate when exchange between two currencies is difficult and what are the conditions that must be met for determining the spot exchange rate at the measurement date. An appendix to the application guidelines has been added, which includes guidelines for assessing whether a currency is exchangeable for another currency, and guidelines for applying the	There is no impact on the company's' financial statements	Amendments regarding the determination of spot exchange rate when it is difficult to exchange between two currencies is applicable to financial periods commencing on or after **January 1, 2024** with early adaption allowed. If the entity made an early application, this has to be disclosed. Entity shall not be modifying comparative

New or reissued standards	Summary of the most significant amendments	Impact on the financial statements	Effective date
	required treatments in case of non-exchangeability.		information and instead should: • When the entity reports foreign currency transactions to its functional currency, any effect of the initial application is recognized as an adjustment to the opening balance retained earnings/losses on the date of initial application. • When an entity uses presentation currency different than its functional currency or translates the results and balances of foreign operation, the resulting differences and financial position of a foreign transaction, any effect of the initial application is recognized as an adjustment to the cumulative translation adjustment reserve - accumulated in equity section on the date of initial application.

3 - 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.

(All amounts in Egyptian Pounds unless otherwise stated)

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 is determined based on current purchase price for these assets; while the financial liabilities value is 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.

4 - 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: -

Subsidiary name	Percentage of participations 30/9/2024 %	Percentage of participations 31/12/2023 %
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	69.26	69.26
New Mac	57.12	57.12
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 period.

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:

Description	Estimated useful life (Year)
Buildings & Constructions	25-50
Machinery & Equipment	10
Vehicles	5-8
Tools & Supplies	5
Show-room Fixture	3
Furniture & office equipment	5-10
Computers & programs	3

Useful lives, depreciation method and residual value of assets are reviewed annually, and amendments are applied if there is a significant change in the earning of the economic benefits generated from these assets.

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 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on re-measurement are recognized in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortized or depreciated, and any equity-accounted investee is no longer equity accounted.

5-6 Financial instruments

5-6-1 Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI debt investment; FVOCI — equity 'investment; or FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an instrument- by- instrument basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

5-6-2 Financial assets — Business model assessment

- The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:
- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Company's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated — e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.
- Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.
- Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

5-6-3 Financial assets — Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

Contingent events that would change the amount or timing of cash flows;

- terms that may adjust the contractual coupon rate, including variable- rate features.
- Prepayment and extension features; and
- Terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).
- A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract.

  Additionally, for a financial asset acquired at a discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition

5-6-4 Financial assets - Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets ate subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

5-6-5 Financial liabilities — Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

5-6-6 Derecognition

Financial assets

The Company derecognized a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non- cash assets transferred or liabilities assumed) is recognized in profit or loss.

5-6-7 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

5-7 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.

5-8 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.

5-9 Leases

The Egyptian Standard "Lease Contracts" No. (49) sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

An entity shall determine the lease term as the non-cancellable period of a lease, together with both: periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and

periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non -lease components and account for the lease and non -lease components as a single lease component .

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received .

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right- of- use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability .

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate .

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased .

Lease payments included in the measurement of the lease liability comprise the following :

Fixed payments, including in - substance fixed payments ;

Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date ;

Amounts expected to be payable under a residual value guarantee ;

and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early .

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in- substance fixed lease payment .

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right- of- use asset or is recorded in profit or loss if the carrying amount of the right- of- use asset has been reduced to zero.

The Company presents right- of- use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

5-10 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.

5-11 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.

5-12 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.

5-13 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.

5-14 Revenue from contract with customers

An entity shall recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service and when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for such transfer .

The company recognizes revenue from contracts with customers based on a five-step model as set out in IFRS (15) and is given below :

Step 1 - Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met ;

Step 2 - Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer ;

Step 3 - Determine the transaction price: The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties ;

Step 4 - Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the company expects to be entitled in exchange for satisfying each performance obligation ;

Step 5 - Recognize revenue when (or as) the entity satisfies a performance obligation .

The company satisfies the performance obligation and recognizes revenue over time, if one of the following criteria is met:

The customer simultaneously receives and consumes the benefits provided by the entity's performance once the company has performed.

Company performance creates or improves a customer-controlled asset at the same time as the asset is being constructed or improved.

The performance of the company does not create an asset with an alternative use for the company, and that the company has an enforceable right to payment for performance completed to date.

For performance obligations, if any of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied .

If the company fulfils the performance obligation by providing the services that have been promised, this creates an asset based on a contract in exchange for consideration gained from performance. In the event that the consideration received by the customer exceeds the amount of revenue that has been recognized, a contract obligation may arise.

Revenue is measured at the fair value of the consideration received or receivable, after taking into account the contractual terms of payment, and after excluding taxes and fees. The company reviews its revenue arrangements against specific criteria to ascertain whether it is acting as principal or agent .

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and that revenue and costs, where applicable, can be measured reliably.

5-15 Dividends and interest income

- Income from investments is recognized when the cash distribution declared by the Investee Company and received.
- 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.

5-16 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.

5-17 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.

5-18 Impairment

A- Financial assets

The company assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the company applies the simplified approach permitted by EAS 47, which requires expected lifetime losses to be recognized over the expected life of a financial instrument.

According to the FRA decision No. 222 of 2023 the company has excluded governmental debt instruments in local currency, current account and term deposit in local currency at local Banks registered with the central Bank of Egypt and due within of one month from the date of the financial statement form the recognition and measurement of expected credit losses.

B- Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non- financial assets (other than, investment property, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU s. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

- The recoverable amount of an asset or CGU 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 asset or CGU.

  An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

- Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.
- An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

5-19 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.

5-20 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.

5-21 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.

5-22 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.

5-23 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.

5-24 Comparative Figures

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

(All amounts in Egyptian Pounds unless otherwise stated)

6- Fixed assets

	Land	Buildings & Constructions	Machinery & equipment	Vehicles	Tools & Supplies	Showrooms Fixture	Furniture & office equipment	Computers	Total
Cost as of 31/12/2022	**963 928 362**	**3 835 952 077**	**13 545 930 328**	**395 334 716**	**197 419 942**	**150 448 819**	**193 916 975**	**366 640 798**	**19 649 572 017**
Additions	5 995 164	142 006 580	343 805 021	3 370 173	38 488 867	52 834 524	18 779 952	16 584 360	**621 864 641**
Disposals	---	(3 143 867)	(120 626 344)	(556 000)	---	---	---	---	**(124 326 211)**
Translation exchange differences	166 187 220	729 313 968	2 934 565 371	82 377 583	30 726 698	440 820	30 611 514	74 648 290	**4 048 871 464**
Cost as of 31/12/2023	**1 136 110 746**	**4 704 128 758**	**16 703 674 376**	**480 526 472**	**266 635 507**	**203 724 163**	**243 308 441**	**457 873 448**	**24 195 981 911**
Additions	---	126 394 551	158 497 783	3 761 214	38 102 130	25 119 781	20 451 613	40 344 501	**412 671 573**
Disposals	(17 977 569)	(5 414 211)	(754 552 556)	(3 672 396)	(446 472)	(2 085 819)	(20 271)	---	**(784 169 294)**
Reclassification of assets held for sale	---	---	(529 550 617)	---	---	---	---	---	**(529 550 617)**
Translation exchange differences	471 849 826	2 135 159 687	8 059 931 606	233 993 121	92 535 992	1 242 665	87 792 525	213 554 467	**11 296 059 889**
Cost as of 30/9/2024	**1 589 983 003**	**6 960 268 785**	**23 638 000 592**	**714 608 411**	**396 827 157**	**228 000 790**	**351 532 308**	**711 772 416**	**34 590 993 462**
Accumulated depreciation and impairment as of 31/12/2022	---	1 995 107 905	10 947 496 791	348 313 628	165 355 897	115 776 553	153 343 825	339 733 419	**14 065 128 018**
Depreciation of year	---	171 819 764	546 293 712	14 123 991	13 388 248	18 454 609	8 878 617	13 377 496	**786 336 437**
Disposals of accumulated depreciation	---	(897 611)	(108 607 092)	(556 000)	---	---	---	---	**(110 060 703)**
Translation exchange differences	---	402 535 237	2 480 940 132	72 209 819	26 429 423	419 360	25 793 722	72 233 859	**3 080 561 552**
Accumulated depreciation and impairment as of 31/12/2023	---	**2 568 565 295**	**13 866 123 543**	**434 091 438**	**205 173 568**	**134 650 522**	**188 016 164**	**425 344 774**	**17 821 965 304**
Depreciation of period	---	194 510 285	563 050 888	14 195 613	16 277 553	23 663 689	10 854 698	18 357 259	**840 909 985**
Disposals of accumulated depreciation	---	(3 357 525)	(643 299 338)	(2 462 037)	(446 472)	(2 078 610)	(20 087)	---	**(651 664 069)**
Reclassification of assets held for sale	---	---	(503 030 354)	---	---	---	---	---	**(503 030 354)**
Translation exchange differences	---	1 216 190 573	6 844 334 041	210 585 822	78 800 312	1 241 987	75 699 296	206 814 162	**8 633 666 193**
Accumulated depreciation and impairment as of 30/9/2024	---	**3 975 908 628**	**20 127 178 780**	**656 410 836**	**299 804 961**	**157 477 588**	**274 550 071**	**650 516 195**	**26 141 847 059**
Net book value as of 30/9/2024	**1 589 983 003**	**2 984 360 157**	**3 510 821 812**	**58 197 575**	**97 022 196**	**70 523 202**	**76 982 237**	**61 256 221**	**8 449 146 403**
Net book value as of 31/12/2023	**1 136 110 746**	**2 135 563 463**	**2 837 550 833**	**46 435 034**	**61 461 939**	**69 073 641**	**55 292 277**	**32 528 674**	**6 374 016 607**

(All amounts in Egyptian Pounds unless otherwise stated)

7- PROJECTS IN PROGRESS

	30/9/2024	31/12/2023
Buildings under Construction	179 234 288	170 172 475
Machinery & Equipment under installation	203 773 183	38 950 358
Computer systems	6 984 865	3 849 848
Advance payment for purchasing of Fixed assets	64 533 311	56 365 129
	454 525 647	**269 337 810**

8- RIGHT USE OF ASSETS

	Showroom rent	Oriental weavers USA - rental	Total
Cost at 1/1/2024	**598 952 630**	**247 275 502**	**846 228 132**
Additions	126 572 540	47 652 141	174 224 681
Disposals	(33 235 128)	--	(33 235 128)
Translation differences	--	139 005 308	139 005 308
Cost at 30/9/2024	**692 290 042**	**433 932 951**	**1 126 222 993**
Accumulated depreciation at 1/1/2024	**190 104 392**	**201 052 331**	**391 156 723**
Depreciation of period	74 056 624	22 215 861	96 272 485
Disposals of accumulated depreciation	(28 078 488)	--	(28 078 488)
Translation differences	--	113 021 068	113 021 068
Accumulated depreciation at 30/9/2024	**236 082 528**	**336 289 260**	**572 371 787**
Net book value at 30/9/2024	**456 207 514**	**97 643 692**	**553 851 206**
Net book value at 31/12/2023	**408 848 238**	**46 223 171**	**455 071 409**

9- INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Balance as of 30/9/2024	Balance as of 31/12/2023
Egyptian Propylene & Polypropylene Company "E.P.P"*	956 307 005	612 174 585
Alahli Bank of Kuwait- Egypt	33 203 856	33 203 856
Orientals for Industrial Projects	2 422 800	2 422 800
Prudential company – U.S. A	2 264 788	1 300 354
Cambridge Weavers (under liquidation)	3 750	3 750
Trading for Development Export	1	1
10th of Ramadan for Spinning Industries (under liquidation)	1	1
Modern Spinning Company (under liquidation) **	1	1
Egyptian for Trade and Marketing	--	1
	994 202 202	**649 105 349**

*According to the Board of Directors decision on May 24, 2023 of Oriental Weavers International - Subsidiary Company - the board approved to sell the owned shares by Oriental Weavers International in EGYPTIAN PROPYLENE & POLYPROPYLENE COMPANY "E.P.P."

**On march 27,2024 the company has been liquidated and removed from the commercial register

(All amounts in Egyptian Pounds unless otherwise stated)

10- INVENTORY

	30/9/2024	31/12/2023
Raw materials	4 861 397 415	2 911 531 320
Spare parts & materials	920 697 488	589 316 035
Work in process	425 396 385	184 698 902
Finished products	4 358 327 497	3 182 474 678
Letter of credit for purchasing of raw materials	250 167 451	82 110 856
	10 815 986 236	**6 950 131 791**
Less: Impairment in inventory	(27 063 177)	(22 691 206)
	10 788 923 059	**6 927 440 585**

11- TRADES & NOTES RECEIVABLE

	30/9/2024	31/12/2023
Trades receivables	4 140 952 830	2 760 353 465
Notes receivables	815 002 205	750 772 731
	4 955 955 035	**3 511 126 196**
(Less): Expected credit loss – Note No (18)	(483 918 535)	(348 556 143)
	4 472 036 500	**3 162 570 053**

- Trades & Notes Receivable include amount of LE 7 895 854due from related parties at September 30, 2024 results from sales of carpets.

12- DEBTORS AND OTHER DEBIT ACCOUNTS

	30/9/2024	31/12/2023
Prepaid expenses	73 444 197	51 643 638
Tax authority – debit accounts	628 914 620	490 306 518
Deposits with others	75 362 641	60 858 607
Accrued revenues	5 551 027	10 064 471
Letter of guarantee & letter of credit – cash margin	23 016 673	12 322 657
Petty cash & advance to employees	27 291 442	11 534 768
Suppliers – advance payment	191 047 426	59 395 727
Other debit accounts	76 348 456	25 413 637
	1 100 976 482	**721 540 023**
(Less):		
(Less): Expected credit loss – Note No (18)	(5 456 845)	(6 886 774)
	1 095 519 637	**714 653 249**

13- TREASURY BILLS

	30/9/2024	31/12/2023
Treasury bills (mature in 90 days)	535 250 000	490 450 000
Treasury bills (mature in more than 90 days)	2 200 000 000	1 755 000 000
Less:	**2 735 250 000**	**2 245 450 000**
Unrealized returns	(132 697 335)	(118 170 026)
	2 602 552 665	**2 127 279 974**

(All amounts in Egyptian Pounds unless otherwise stated)

14- INVESTMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS

	30/9/2024	31/12/2023
	9 579 622	--
	9 579 622	--

15- FINANCIAL ASSETS AT AMORTIZED COST

	30/9/2024	31/12/2023
Treasury bonds - Eurobond	401 984 113	643 948 002
(Less): Discount	(21 341 381)	(9 268 801)
	380 642 732	**634 679 201**
(Less): Expected credit loss – Note No (18)	(573 089)	(5 887 895)
	380 069 643	**628 791 306**

16- CASH AND CASH EQUIVALENTS

	30/9/2024	31/12/2023
Banks – Time deposits	1 187 594 384	499 906 735
Banks – Current accounts	1 878 048 522	1 297 290 569
Cash on hand	4 674 670	4 566 567
Cash at banks and on hand	**3 070 317 576**	**1 801 736 871**
Less:	(1 663 728)	(2 038 255)
(Less): Expected credit loss – Note No (18)	**3 068 653 728**	**1 799 725 616**

Cash and cash equivalents for cash flows statement purposes

Cash in banks and the fund before the expected credit loss	3 070 317 576	1 801 763 871
Term deposits held as security for part of the credit facilities granted to the group	(37 574)	(37 574)
Cash and cash equivalents	**3 070 280 002**	**1 801 726 297**
Add: Treasury bills with maturity of 90 days	511 654 361	471 638 940
Cash and cash equivalents for cash flows statement Purposes	**3 581 934 363**	**2 273 365 237**

17- Non-current assets held for sale

	30/9/2024	31/12/2023
Machinery & equipment- Oriental Weavers Co. U.S.A.	**26 520 263**	--
	26 520 263	--

18- Expected credit loss

	Trade receivables	Debtors & other debit balances	Financial Assets at Amortized Cost	Cash & cash equivalent	Total
Balance as at 1/1/2024	**348 556 143**	**6 886 774**	**5 887 895**	**2 038 255**	**363 369 067**
Charge to statement of income	(2 695 805)	(2 904 315)	(7 527 729)	(739 632)	(13 867 481)
Translation differences	138 058 197	1 474 386	2 212 923	365 225	142 110 731
Provision balance at 30/9/2024	**483 918 535**	**5 456 845**	**573 089**	**1 663 848**	**491 612 317**

(All amounts in Egyptian Pounds unless otherwise stated)

19- Issued and paid-up capital

17-1 The company's authorized capital is determined to be L.E 1 000 000 000 (one billion Egyptian pounds).

17-2 The Issued and paid-up capital is determined to be LE 665 107 268 (only six hundred sixty-five million and one hundred seven thousand and two hundred sixty-eight Egyptian pounds) distributed over 665 107 268 shares at a value of LE 1 each.

17-3 The company's shares are centrally kept at Misr for Central Clearing, Depositary and Registry Co. and those shares are traded in Egyptian exchange.

20- Reserves

	30/9/2024	31/12/2023
Legal reserve	1 363 947 293	1 267 256 203
General reserve	74 488 537	74 488 537
Special reserve	59 973 828	59 973 828
Net assets revaluation reserve	65 767 458	65 767 458
Capital reserve	246 528 905	172 079 359
Unrealized gain from financial investments at FVTOCI	232 936 930	155 061 476
	2 043 642 951	**1 794 626 861**

21- Non-Controlling interest

	Non-controlling interest in Equity	Non-controlling interest in comprehensive income	Balance as of 30/9/2024	Balance as of 31/12/2023
Orientals Weavers international Co (O.W.I)	331 015	239 299	570 314	413 055
MAC Carpet Mills	410 003 914	246 007 029	656 010 943	442 229 187
Egyptian Fibres Co. EFCO	183 150 280	130 895 864	314 046 144	221 196 906
New MAC	4 351 730	5 682 788	10 034 518	7 003 457
Oriental Weavers Textile	468 414 153	326 864 343	795 278 496	479 734 871
Oriental Weavers Co. U.S.A.	210 918 087	43 919 457	254 837 544	210 955 807
	1 277 169 179	**753 608 780**	**2 030 777 959**	**1 361 533 283**

(All amounts in Egyptian Pounds unless otherwise stated)

22- Long term loans

BANK	Loan Currency	Principal of the loan in original Currency	Balance of the loan as of 30/9/2024	Balance as of 30/9/2024 current portion due in one year	Balance as of 30/9/2024 long term installments	Balance as of 31/12/2023 current portion due in one year	Balance as of 31/12/2023 long term installments	Terms of Payment
Emirates NBD Egypt bank	USD	8 000 000	128 965 083	128 965 083	---	82 556 277	61 917 200	The principal of the loan shall be settled over 12 quarterly installments starting after the end of the grace period that ends no later than 12 months from the date of the first withdrawal.
Qatar National Bank Al Ahli	EURO	3 000 000	48 964 393	6 120 537	42 843 856	--	--	The principal of the loan shall be settled over 8 equal half annually installments starting after the end of the grace period that ends no later than 6 months from the date of the first withdrawal.
Alex bank	EURO	1 800 000	47 337 595	31 558 413	15 779 182	19 923 964	29 885 946	The principal of the loan shall be settled over 9 equal half annually installments starting from 17/2/2022 till 17/2/2026, the interest and commission shall be computed and paid upon its due date.
Alex bank	EURO	5 500 000	135 334 683	45 111 593	90 223 090	28 480 550	71 201 375	The principal of the loan shall be settled over 9 equal half annually installments starting starting after the end of the grace period, the interest and commission shall be computed and paid upon its due date.
Emirates NBD Egypt bank	USD	7 000 000	103 926 957	103 926 957	---	66 528 260	49 896 196	The principal of the loan shall be settled over 12 quarterly installments starting after the end of the grace period that ends no later than 12 months from the date of the first withdrawal.
Attijari wafa bank	EURO	5 000 000	86 332 087	67 658 375	18 673 712	42 715 125	33 146 937	The principal of the loan shall be settled over 8 equal half annually installments starting from 30/6/2022 till 30/12/2025, the interest and commission shall be computed and paid upon its due date.
			550 860 798	383 340 958	167 519 840	240 204 176	246 047 654	

(All amounts in Egyptian Pounds unless otherwise stated)

23- LEASE CONTRACTS LIABILITY

	Due within one year	Due more than one year	Balance at 30/9/2024
Oriental Weavers Co. U.S.A.	27 324 474	71 394 835	98 719 309
Showroom	113 082 489	416 414 092	529 496 581
	140 406 963	**487 808 927**	**628 215 890**

24- DEFERRED TAX LIABILITIES

-Deferred tax Assets and liabilities

	30/9/2024		31/12/2023	
	Assets	(Liabilities)	Assets	(Liabilities)
Fixed assets	--	(178 559 884)	--	(186 386 498)
Temporary tax differences – O.W. (USA)	125 272 748	--	80 192 650	--
Fair value reserve of investment at FVOCI	--	(65 553 891)	--	(43 161 594)
Total deferred tax assets / (liabilities)	125 272 748	(244 113 775)	80 192 650	(229 548 092)
Net deferred tax (liabilities)	--	**(118 841 027)**	--	**(149 355 442)**

-The movement of deferred tax liabilities is shown below:

	30/9/2024		31/12/2023	
	Assets	(Liabilities)	Assets	(Liabilities)
Beginning balance	80 192 650	(229 548 092)	31 542 110	(187 143 818)
Fair value reserve of investment at FVOCI	--	--	--	(43 161 594)
Charged to the statement of income	--	7 826 614	40 066 077	757 320
Translation Difference	45 080 098	(22 392 297)	8 584 463	--
Ending balance	**125 272 748**	**(244 113 775)**	**80 192 650**	**(229 548 092)**

25- Provisions

	Balance as of 1/1/2024	Formed during the period	Used During the period	Translation differences	Balance as of 30/9/2024
Provisions for claims	225 516 257	55 213 210	(11 658 068)	25 391 476	**294 462 875**
	225 516 257	**55 213 210**	**(11 658 068)**	**25 391 476**	**294 462 875**

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.

26- BANKS – CREDIT ACCOUNTS

Banks – credit accounts amounting to L.E 6 245 642 206 as of September 30, 2024 represents short term facilities granted by banks.certain facilities are secured by notes receivables deposited at these banks for collection.

(All amounts in Egyptian Pounds unless otherwise stated)

27- TRADES & NOTES PAYABLE

	30/9/2024	31/12/2023
Trades payable	2 096 230 854	1 585 062 948
Notes Payable	973 724 474	576 553 715
	3 069 955 328	**2 161 616 663**

- Trades & Notes Payable include amount of LE 435 741due to related parties at September 30, 2024, results from purchase and operate of raw material.

28- CREDITORS AND OTHER CREDIT ACCOUNTS

	30/9/2024	31/12/2023
Accrued expenses	531 071 156	274 538 079
Tax authority	38 635 360	28 964 528
Social insurance authority	30 955 061	25 679 311
Trade receivable – advance payment	583 421 192	340 419 600
Creditors – purchases of fixed assets	2 171 304	759 514
Credit balances - related parties	6 336 938	8 613 896
Deposits from others	310 495 641	246 721 834
Other credit accounts	49 972 758	48 954 833
	1 553 059 410	**974 651 595**

29- FINANCE EXPENSES

	30/9/2024	30/9/2023
Bank interest	385 203 515	304 449 059
Interest of lease contracts liabilities	29 520 172	26 132 529
	414 723 687	**330 581 588**

30- Basic earnings per share in the separate financial statements

The basic earnings per share are determined as follows: -

	30/9/2024	30/9/2023
Net profit for the period	1 897 900 003	1 046 170 146
Average of shares number available during the period	665 107 268	665 107 268
	2.85	**1.57**

31- CONTINGENT LIABILITIES

Letter of Guarantees Issued by Banks in favour of the company and its subsidiaries to third parties as of September 30, 2024 amounted to L.E 107 814 793he contingent liabilities from letter of credit in that date amounted to L.E 1 096 929 602

32- CAPITAL COMMITMENTS

The capital commitments as of September 30, 2024 amounted to L.E 57 201 375represents the value of new extension related to showrooms and completion of construction in progress.

33- TAX POSITION

33-1 Oriental Weavers Carpet

Corporate Tax

- The company has been inspected till December 31, 2019 and the assessed tax differences were paid.
- The company submits its annual tax return regularly on legal dates.

Salaries & Wages Tax

- The company has been inspected till December 31, 2020 and the assessed tax differences were paid.
- The company submits its tax return on the legal dates.

Sales Tax

- The company has been inspected till December 31, 2022 and the assessed tax differences were paid.
- The company submits the monthly tax return on the legal dates.

Stamp Duty Tax

- The company was inspected and the tax has been settled till December 31, 2020.
- The company submits the tax return on the legal dates.

Real estate Tax

- The tax has been assessed and paid till December 31, 2023.

33-2 Oriental Weavers International

Corporate Tax

- The company is established in accordance with the Investment Guarantee and Incentives Law No. 8 of 1997 “Private free zone”. According to the Company's tax card, it is exempted from taxes throughout the company life time.

Salaries & Wages Tax

- The company has been inspected till December 31, 2019 and the assessed tax differences were paid.
- The company submits its tax return on the legal dates.

33-3 Oriental Weavers Textile

Corporate Tax

- The company is established in accordance with the Investment Guarantee and Incentives Law No. 8 of 1997 “Private free zone”. According to the Company's tax card, it is exempted from taxes throughout the company life time.
- The company submits its tax return on the legal dates.

Salaries & Wages Tax

- The company has been inspected till December 31, 2020 and the assessed tax differences were paid.
- The company submits its tax return on the legal dates.

Stamp Duty Tax

- The company has been inspected till December 31, 2020 and the assessed tax differences were paid.
- The company submits its tax return on the legal dates.

Real estate Tax

- The estimated value of the real estate tax was appealed under No. 647 of 2015.
- The appeal was accepted and a decision was issued not to subject the company entirely to real estate tax.

33-4 Mac Carpet

Corporate tax

- Corporate tax was inspected and assessed from the beginning of the activity up till 2020.
- Year 2021/2022, the company has not been inspected yet.
- The company submits its tax return on the legal dates.

Salaries & Wages Tax

- The company was inspected for the period from the beginning of its activity up till December 31, 2019 and the assessed tax difference was paid.
- The years 2020: 2022 have not been inspected.

Value Add Tax

- The company was inspected up till December 31, 2020 and the assessed tax difference was paid.
- The years 2021: 2022 have not been inspected.
- The company submits the monthly tax return on due dates.

Stamp Duty Tax

- The company was inspected up to till December 31, 2018 and the assessed tax difference was paid.
- The years 2019: 2022 have not been inspected.

Withholding tax

- The company was inspected up to 2018 and the assessed tax difference was paid.
- The years 2019: 2022 have not been inspected.

33-5 Egyptian Fibers Company – EFCO

Corporate Tax

- The company has been inspected for the years from 1987 till 2015 and the assessed tax were paid.
- The years 2016,2017, 2018, 2019 has been inspected and the tax is under settlement.
- The company submits its annual tax return regularly on legal dates.

Salaries & Wages Tax

- The company has been inspected till December 31, 2020 and the assessed tax were paid.
- The company submits its tax return regularly on legal dates.

Value Add Tax

- The company has been inspected till December 31, 2020 and the assessed tax were paid.
- The company submits its monthly tax return regularly on legal dates.

Stamp Duty Tax

- The company was inspected up to till December 31, 2022 and the assessed tax difference was paid.

Real estate Tax

- The Company has notified by Form (3) and it was appealed and the tax settled until 2021.

34- 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.

(All amounts in Egyptian Pounds unless otherwise stated)

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

	Note №	30/9/2024	31/12/2023
Trades and notes receivable	(11)	4 472 036 500	3 162 570 053
Debtors and other debit accounts	(12)	1 095 519 637	714 653 249
		5 567 556 137	**3 877 223 302**

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.

35- SIGNIFICANT EVENTS

On February 1, 2024, the Monetary Policy Committee of the Central Bank of Egypt decided to raise the deposit and lending rates for overnight transactions, as well as the main operation rate of the central bank, by 200 basis points. Then, on March 6, 2024, the Monetary Policy Committee of the Central Bank of Egypt decided to further raise the deposit and lending rates for overnight transactions by 600 basis points, reaching 27.25% and 28.25%, respectively. Additionally, the credit and discount rates were also raised by 600 basis points to reach 27.75%. This decision allowed for the use of a flexible exchange rate determined according to market mechanisms, resulting in a significant increase in foreign currency exchange rates against the Egyptian pound.