

FY 2024 Earnings Release

Cairo, Egypt

27 February 2025

Another Record Year Driven by International Markets

Key Highlights of FY 2024



Adjusted Figures of FY 2024



* Figures are Adjusted for EGP 0.5bn inventory write-down

FY 2024 Key Financial Highlights

- **Total revenue** increased by 38% YoY to reach EGP 24.3bn driven by 42% increase in international revenue and 28% increase in Egypt revenue.
- **Gross Profit** up 22% YoY to reach EGP 3.1bn, while gross profit margin dropped to 12.8% in 2024 vs 14.4% in 2023 due to the EGP 0.5bn inventory write-down. **Adjusted Gross Profit** reached EGP 3.7bn (+43% YoY) with a gross profit margin of 15.0% (+0.6 pts YoY).
- **EBITDA** reached EGP 3.5bn (+29% YoY), with an EBITDA margin of 14.5%. **Adjusted EBITDA** reached EGP 4.1bn with a healthy EBITDA margin of 16.7% (+1.3 pts YoY).
- **Net Profit** increased 34% YoY to record EGP 2.5bn backed by the strong operational performance accompanied with 137% YoY hike in interest income which offset the EGP 0.4bn FX loss and the 20% YoY higher interest expense. Net profit margin remained almost flat at 10.5%. **Adjusted Net Profit** reached EGP 3.1bn, with a margin of 12.7% (+3.6 pts YoY)

Management Comment

"In 2024, our company demonstrated notable strength and resilience amidst significant macroeconomic and geopolitical challenges. Through focusing on international markets, we not only maintained our sales volumes but also achieved a notable 38% YoY revenue growth. America and Europe remained pivotal markets, collectively contributing 55% to our total revenues.

The management team took a decision to write-down old finished goods, totaling EGP 0.5bn, as a part of cleanup. Adjusting for the inventory write-down, our margins have demonstrated significant enhancement throughout 2024. We achieved an EBITDA margin of 16.7% and a net profit margin of 12.7%, showcasing our robust financial health and operational excellence.

Our primary focus is to expand our market share in core markets while driving operational improvements. We are also keen on expanding our e-commerce presence to leverage digital platforms for capturing new opportunities."

Results Discussion

Q4 2024

- **Revenue** increased 48% YoY reaching EGP 7.1bn backed by 77% YoY increase in international revenue (70% of total revenue) and 7% YoY increase in Egypt revenue (30% of total revenue).
- **Sales volume** increased by 4% YoY, driven by international market which offset the softened market in Egypt.
- **Woven** revenue increased by 47% YoY, mainly due to a 40% rise in ASP (due to currency devaluation). Woven volume in international markets grew by 76% YoY to offset the 23% decline in volumes in Egypt resulting from a softened market starting last trimester of the year.
- **Tufted** revenue increased 57% YoY on a 43% increase in ASP (due to currency devaluation). Tufted volume in international markets grew by 13% YoY to offset the 2% decline in volumes in Egypt resulting from a softened market starting last trimester of the year.
- **Non-woven** revenue increased by 73% YoY supported by an 89% higher ASP (due to currency devaluation) which offset the 8% decline in volume.
- **EBITDA** decreased by 13% YoY due to inventory write-down recording a margin of 9.4%. **Adjusted EBITDA** increased by 27% YoY, driven by the international market sales which offset the softened market in Egypt, to report EGP 1.0bn with a margin of 13.5%.
- **Net Profit** decreased by 28% YoY recording a net profit margin of 5.2%. **Adjusted Net Profit** witnessed an increase of 31% YoY to record EGP 0.7bn and a net profit margin of 9.4%.

FY 2024

- **Revenue** increased 38% YoY reaching EGP 24.3bn driven by 42% increase in international revenue (66% of total revenue) and 28% increase in Egypt revenue (34% of total revenue).
- **Sales Volume** came almost flat YoY, affected by the global macroeconomic and geopolitical challenges, with **International** making up healthy 62% of sales volume and **Egypt** representing 38% of sales volume.
- **Woven** revenue increased by 33% YoY backed by 36% YoY higher ASP (due to currency devaluation), mainly on currency devaluation, offsetting softer volume.
- **Tufted** revenue increased by 49% YoY driven by 46% YoY higher ASP (due to currency devaluation) and 3% higher volume.
- **Non-woven** revenue grew by 81% YoY, fueled by 67% YoY hike in ASP (due to currency devaluation) coupled with 9% YoY increase in volume.
- **EBITDA** reached EGP 3.5bn (+29% YoY), with an EBITDA margin of 14.5%. **Adjusted EBITDA** reached EGP 4.1bn, recording a healthy EBITDA margin of 16.7%, attributable to higher international sales that offset Egypt lower margin sales.
- **Net Profit** increased 34% YoY to record EGP 2.5bn. **Adjusted Net Profit** reached EGP 3.1bn achieving a margin of 12.7%.
- **Net debt/Adjusted EBITDA** scored 0.4x in 2024 vs 0.1x in 2023, mainly due to the currency devaluation which caused the total debt (99% foreign, 1% local) to reach EGP 7.4bn (+59% YoY).
- **Cash Conversion Cycle** decreased to 169 days in 2024 compared to 173 days in 2023,

Egypt Revenue

EGP mn	4Q 23	3Q 24	4Q 24	QoQ	YoY	FY 23	FY 24	YoY
Woven	1,575	1,528	1,701	11%	8%	5,187	6,494	25%
Tufted	235	260	275	6%	17%	742	1,090	47%
Non-woven	118	142	137	-4%	16%	347	521	50%
Others	51	32	0	-100%	-100%	191	135	-29%
Total	1,980	1,962	2,113	8%	7%	6,467	8,240	27%

Egypt Volumes

000 m2	4Q 23	3Q 24	4Q 24	QoQ	YoY	FY 23	FY 24	YoY
Woven	7,586	5,594	5,864	5%	-23%	26,833	26,025	-3%
Tufted	2,058	1,674	2,023	21%	-2%	6,869	8,295	21%
Non-woven	2,988	1,966	2,132	8%	-29%	9,408	8,832	-6%
Total	12,632	9,234	10,019	9%	-21%	43,110	43,152	0%

International Revenue

EGP mn	4Q 23	3Q 24	4Q 24	QoQ	YoY	FY 23	FY 24	YoY
Woven	2,029	3,053	3,579	17%	76%	8,357	11,566	38%
Tufted	665	1,129	1,135	1%	71%	2,439	3,657	50%
Non-woven	111	278	260	-7%	134%	395	826	109%
Total	2,805	4,460	4,974	12%	77%	11,192	16,049	43%

International Volumes

000 m2	4Q 23	3Q 24	4Q 24	QoQ	YoY	FY 23	FY 24	YoY
Woven	8,865	8,849	11,309	28%	28%	37,277	36,933	-1%
Tufted	6,587	6,839	7,458	9%	13%	25,469	24,853	-2%
Non-woven	2,036	3,039	2,469	-19%	21%	6,832	8,843	29%
Total	17,489	18,727	21,236	13%	21%	69,578	70,629	2%

Income Statement Summary

EGP mn	4Q 23	3Q 24	4Q 24	QoQ	YoY	FY 23	FY 24	YoY
Revenue	4,785	6,422	7,087	10%	48%	17,659	24,289	38%
Gross Profit	728	904	533	-41%	-27%	2,550	3,103	22%
EBITDA	758	1,000	663	-34%	-13%	2,729	3,514	29%
Net Profit	510	701	369	-47%	-28%	1,892	2,542	34%
Margins:								
GPM (%)	15%	14%	8%	-6.6 ppts	-7.7 ppts	14%	13%	-2 ppts
EBITDA margin (%)	16%	16%	9%	-6.2 ppts	-6.5 ppts	15%	14%	-1 ppts
NPM (%)	11%	11%	5%	-5.7 ppts	-5.4 ppts	11%	10%	0 ppts

Balance Sheet Summary

EGP mn	FY 23	FY 24	YoY
Current Assets	15,360	23,982	56%
Non-Current Assets	7,748	10,922	41%
Total Assets	23,108	34,905	51%
Current Liabilities	8,143	13,269	63%
Non-Current Liabilities	794	594	-25%
Total Liabilities	8,937	13,863	55%
Total Shareholders' Equity	14,171	21,041	48%
Total Liabilities & Shareholders' Equity	23,108	34,905	51%



Cash Flow Summary

EGP mn	FY 23	FY 24	YoY
Net Cash Provided by Operating Activities	3,134	1,910	(1,224)
Net Cash Used in Investing Activities	(929)	766	1,694
Net Cash Used in Financing Activities	(2,279)	(1,276)	1,004
Net Change in Cash & Cash Equivalents	(74)	1,400	1,474
Beginning of Period Cash	2,195	2,273	78
Translation Differences of Foreign Entities	152	559	408
End of Period Cash	2,273	4,233	1,959

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About Oriental Weavers:

Oriental Weavers is a global player in machine-woven rugs and carpets; the company is renowned for superior product design and quality, as well as technological innovation. Today, the company is one of the largest producers of machine-made woven rugs in the world. It is management's vision to build a state-of-the-art, internationally competitive carpet and home textile company, characterized by a sharp focus on its customers and driven by marketing- and export-oriented strategies. (www.orientalweavers.com)

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