ORIENTAL WEAVERS CARPETS COMPANY

(An Egyptian Joint Stock Company)

Consolidated Financial Statements

For The Financial period ended March 31, 2025

Together With Limited Review Report

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bakertilly
MOHAMED HILAL & WAHID ABDEL GHAFFAR

C61, Plot# 11, 10th Sector,
Zahraa El Maadi, Cairo.

87 Ramsis Street, Cairo.
Egypt

T: +2 2310 10 31,32,33,34,35
T: +2 2574 48 10
T: +2 2577 07 85

info@bakertillyeg.com
www.bakertillyeg.com

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 March 31, 2025 and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the three 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). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the consolidated financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, 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 March 31, 2025 and of its financial performance and its cash flows for the three months then ended in accordance with Egyptian Accounting Standards.

Cairo: May 15, 2025

Auditor Amr Wahid

MOHAMED HILAL & WAHID ABDEL GHAFFAR
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محمد هلال & وحيد عبد الغفار

Amr Wahid Abdel Ghaffar
B.T. Mohamed Hilal & Wahid Abdel Ghaffar.

Translation from Arabic

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)
Consolidated statement of financial position as of March 31, 2025

(All amounts are in Egyptian Pounds)

	Note №	31/3/2025	31/12/2024
Non current assets			
Fixed assets	(6)	8 640 908 079	8 898 631 092
Projects in progress	(7)	482 548 548	364 395 705
Right of use assets	(8)	563 973 870	540 749 442
Deferred tax assets	(23)	60 077 296	57 080 859
Investments at fair value through other comprehensive income	(9)	1 056 474 611	1 061 481 664
Total non current assets		**10 803 982 404**	**10 922 338 762**
Current assets			
Inventory	(10)	11 075 215 021	11 460 683 769
Trades and notes receivable	(11)	4 817 390 313	4 993 106 186
Debtors and other debit accounts	(12)	1 314 784 113	1 246 108 062
Assets held for sale	(16)	4 682 810	6 753 971
Treasury bills	(13)	2 084 985 028	1 784 491 840
Financial assets at amortized cost	(14)	1 121 450 484	397 440 655
Cash at banks and on hand	(15)	3 788 621 079	4 093 643 341
Total current assets		**24 207 128 848**	**23 982 227 824**
Total assets		**35 011 111 252**	**34 904 566 586**
Equity			
Issued and paid up capital	(18)	665 107 268	665 107 268
Reserves	(19)	2 202 112 151	2 068 060 678
Retained earnings		3 001 689 215	1 171 033 377
Net profit for the Period / year		513 255 999	2 192 283 305
Exchange differences arising on translation of financial statements		12 720 383 397	12 810 841 902
Total equity attributable to the parent company		**19 102 548 030**	**18 907 326 530**
Non controlling interest	(20)	2 000 914 672	2 134 004 061
Total equity		**21 103 462 702**	**21 041 330 591**
Non current liabilities			
Long term loans	(21)	131 909 094	129 447 949
lease contracts liabilities	(22)	476 848 118	464 844 105
Total non current liabilities		**608 757 212**	**594 292 054**
Current liabilities			
Provisions	(24)	338 790 858	325 910 581
Banks-Credit accounts	(25)	7 488 952 821	6 949 328 786
Lease contracts liabilities - current portion	(22)	176 848 098	159 721 246
Long term liabilities - current portion	(21)	297 744 328	348 674 461
Trades and notes payable	(26)	2 808 317 577	3 430 377 678
Dividends payable		410 022 769	170 680 629
Creditors and other credit accounts	(27)	1 440 877 125	1 573 371 698
Tax payable		337 337 762	310 878 862
Total current liabilities		**13 298 891 338**	**13 268 943 941**
Total liabilities		**13 907 648 550**	**13 863 235 995**
Total equity and liabilities		**35 011 111 252**	**34 904 566 586**

The accompanying notes from №.(1) to №. (33) form an integral part of these consolidated financial statements.
Limited Review Report attached.

Chairman	CEO & MD	Group CFO	CFO
Yasmin Mohamed Farid Khamis	Hazem Shawki Alzifzaf	Hanee afia	Shehta Farouk Imam

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Consolidated statement of income for the financial period ended March 31, 2025

(All amounts are in Egyptian Pounds)

	Note №	31/3/2025	31/3/2024
Net sales		6 397 840 009	5 038 051 394
Less:			
Cost of sales		5 611 975 235	4 076 572 288
Gross profit		**785 864 774**	**961 479 106**
Add / (less):			
Financial investments income		--	131 557 546
Capital gain		3 174 272	4 174 286
Other revenues		55 884 047	3 322 318
Treasury bills returns		138 850 668	133 825 570
Financial Assests at amortized cost - returns		24 984 039	16 704 961
Interest income		54 446 300	34 718 954
Distribution expenses		(72 983 801)	(67 132 430)
General and administrative expenses		(171 025 264)	(162 893 478)
Expected credit loss	(17)	(13 838 950)	(9 470 466)
Formed provisions and impairment	(24)	(23 512 091)	(30 018 872)
Finance expenses	(28)	(133 364 909)	(137 114 521)
Foreign exchange differences		19 402 045	(157 636 487)
Net profit for the period before income tax		**667 881 130**	**721 516 487**
(Less)\ Add:			
Current income tax		(121 200 099)	(168 855 945)
Deferred tax		4 237 620	4 926 242
Income tax for the period		**(116 962 479)**	**(163 929 703)**
Net profit for the period after income tax		**550 918 651**	**557 586 784**
Attributable to:			
The parent company		513 255 999	427 417 987
Non controlling interest		37 662 652	130 168 797
		550 918 651	**557 586 784**
Basic earnings per share in the separate financial statements	(29)	**2.65**	**2.07**

The accompanying notes from №.(1) to №. (33) form an integral part of these consolidated financial statements.

Chairman	CEO & MD	Group CFO	CFO
Yasmin Mohamed Farid Khamis	Hazem shawki Alzifzaf	Hanee afia	Shehta Farouk Imam

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Consolidated statement of comprehensive income for the financial period ended March 31, 2025

(All amounts are in Egyptian Pounds)

	31/3/2025	31/3/2024
Net profit for the period	**550 918 651**	**557 586 784**
Other comprehensive income		
Changes in fair value of investments at FVTOCI	(1 124 244)	73 167 966
Translation exchange differences	(120 105 997)	4 551 916 088
Total other comprehensive income after tax	**(121 230 241)**	**4 625 084 054**
Total comprehensive income for the period	**429 688 410**	**5 182 670 838**
Attributable to:		
The parent company	421 671 985	4 594 886 516
Non controlling interest	8 016 425	587 784 322
	429 688 410	**5 182 670 838**

The accompanying notes from №.(1) to №. (33) 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 March 31, 2025

(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 1/1/2024	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	--	141 585 038	(141 585 038)	--	--	--	--	--
Transferred to retained earnings	--	--	1 740 203 598	(1 740 203 598)	--	--	--	--
Dividends	--	--	(116 683 956)	--	--	(116 683 956)	(82 042)	(116 765 998)
Total Comprehensive income for the period	--	73 059 764	--	427 417 987	4 094 408 765	4 594 886 516	587 784 322	5 182 670 838
Balance at 31/3/2024	665 107 268	2 009 271 663	2 186 775 708	427 417 987	11 998 986 682	17 287 559 308	1 949 235 563	19 236 794 871
Balance at 1/1/2025	665 107 268	2 068 060 678	1 171 033 377	2 192 283 305	12 810 841 902	18 907 326 530	2 134 004 061	21 041 330 591
Transferred to reserves	--	135 176 982	(135 176 982)	--	--	--	--	--
Transferred to retained earning	--	--	2 192 283 305	(2 192 283 305)	--	--	--	--
Dividends	--	--	(226 450 485)	--	--	(226 450 485)	(141 105 814)	(367 556 299)
Total Comprehensive income for the period	--	(1 125 509)	--	513 255 999	(90 458 505)	421 671 985	8 016 425	429 688 410
Balance at 31/3/2025	665 107 268	2 202 112 151	3 001 689 215	513 255 999	12 720 383 397	19 102 548 030	2 000 914 672	21 103 462 702

The accompanying notes from №.(1) to №. (33) 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 March 31, 2025

(All amounts are in Egyptian Pounds)

	Note №	31/3/2025	31/3/2024
Cash flows from operating activities			
Net profit for the period before income tax		667 881 130	721 516 487
Adjustments to reconcile net profit to net cash provided by operating activities			
Fixed assets depreciation		294 896 720	270 547 429
Depreciation of right of use assets		37 695 816	32 675 508
Formed provisions and impairment		23 512 091	30 018 872
Expected credit loss		13 838 950	9 470 466
Interest income		(54 446 300)	(34 718 954)
Finance expenses		133 364 909	137 114 521
Treasury bills returns		(138 850 668)	(133 825 570)
Capital (gain)		(3 174 272)	(4 174 286)
Operating profits before changes in working capital		**974 718 376**	**1 028 624 473**
Change in :			
Inventory		347 916 736	175 387 682
Trades and notes receivable and debit accounts		62 998 276	989 322 676
Trades and notes payable and credit accounts		(737 256 784)	(801 544 665)
Cash flows provided by operating activities		**648 376 604**	**1 391 790 166**
Proceeds from interest income		54 446 300	34 718 954
Finance expenses paid		(133 364 909)	(137 114 521)
Income tax paid		(94 741 199)	(113 331 279)
Net cash flows provided by operating activities		**474 716 796**	**1 176 063 320**
Cash flows from investing activities			
(Payments) for purchase of fixed assets and projects in progress		(200 908 891)	(170 087 733)
Proceeds from sale of fixed assets		15 323 869	6 004 026
(Payments) for purchase of treasury bills		(296 400 000)	(1 631 692 600)
Proceeds from treasury bills		294 308 027	1 778 040 186
Proceeds from financial assets at amortized cost		(727 882 948)	409 763 958
Net cash flows (used in) provided by investing activities		**(915 559 943)**	**392 027 837**
Cash flows from financing activities			
Proceeds from banks-credit accounts		565 987 564	170 238 022
Dividends paid and payments for non controlling interest		(128 214 156)	(12 409 557)
(Payment) for Lease contracts liabilities		(30 839 628)	(27 756 102)
Exchange differences arising from translation of financial statements		(48 956 649)	(533 452 714)
(Payment) for long term loans		(46 913 270)	22 075 273
Net cash flows provided by (used in) financing activities		**311 063 861**	**(381 305 078)**
Net change in cash and cash equivalents during the period		**(129 779 286)**	**1 186 786 079**
Cash and cash equivalents at the beginning of the period		4 232 775 594	2 273 365 237
Translation exchange differences related to cash and cash equivalents		(16 049 512)	457 557 413
Cash and cash equivalents at end of the period represents in:		**4 086 946 796**	**3 917 708 729**
Cash and cash equivalents	(15)	3 791 707 485	2 772 617 784
Treasury bills	(13)	2 048 985 028	2 778 209 963
Treasury bills due more than three months		(1 753 745 717)	(1 633 119 018)
Cash and cash equivalents		**4 086 946 796**	**3 917 708 729**

The amounts of LE 57 415 970 of the working capital items, LE 42 485 400 of the investment activities, LE (58 399 514) of the financing activities has been eliminated against the amount of LE (41 501 856) of the translation differences.

The accompanying notes from №.(1) to №. (33) 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.

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.

(All amounts in Egyptian Pounds unless otherwise stated)

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

3-1 Fair Value Measurement

- The fair value of the financial instruments is determined based on the quoted price for the financial instrument or similar instruments at the financial statement date. The financial assets value 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.

3 - 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 31/3/2025 %	Percentage of participations 31/12/2024 %
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

4 - 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 of31/12/2023	**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	--	138 443 615	459 897 015	8 060 291	46 012 464	62 358 713	35 310 734	50 996 405	**801 079 237**
Disposals	(18 923 622)	(8 729 689)	(896 672 108)	(6 208 177)	(195 282)	(2 085 819)	(20 271)	--	**(932 834 968)**
Reclassification of assets held for sale	--	--	(537 876 604)	--	--	--	--	--	**(537 876 604)**
Translation exchange differences	540 851 554	2 447 398 239	9 238 588 897	268 211 496	106 068 126	1 424 356	100 189 955	245 225 021	**12 947 957 644**
Cost as of 31/12/2024	**1 658 038 678**	**7 281 240 923**	**24 967 611 576**	**750 590 082**	**418 520 815**	**265 421 413**	**378 788 859**	**754 094 874**	**36 474 307 220**
Additions	--	6 838 493	50 372 890	6 453 048	16 628 513	199 343	1 379 064	2 290 108	**84 161 459**
Disposals	--	(1 239 768)	(170 037 866)	(3 246 646)	--	(35 052)	--	(309 983)	**(174 869 315)**
Translation exchange differences	(6 762 782)	(24 621 496)	(119 005 494)	(3 402 441)	(1 648 894)	230 622	(1 325 131)	(3 318 133)	**(159 853 749)**
Cost as of 31/3/2025	**1 651 275 896**	**7 262 218 152**	**24 728 941 106**	**750 394 043**	**433 500 434**	**265 816 326**	**378 842 792**	**752 756 866**	**36 223 745 615**
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 year	--	265 793 539	776 480 039	19 555 669	23 351 335	33 505 060	15 061 501	26 158 430	**1 159 905 573**
Disposals of accumulated depreciation	--	(4 437 277)	(760 119 101)	(4 934 102)	(195 282)	(2 078 610)	(20 087)	--	**(771 784 459)**
Reclassification of assets held for sale	--	--	(531 122 633)	--	--	--	--	--	**(531 122 633)**
Translation exchange differences	--	1 394 602 900	7 845 088 586	241 386 407	90 375 653	1 428 594	86 771 300	237 058 903	**9 896 712 343**
Accumulated depreciation and impairment as of 31/12/2024	--	**4 224 524 457**	**21 196 450 434**	**690 099 412**	**318 705 274**	**167 505 566**	**289 828 878**	**688 562 107**	**27 575 676 128**
Depreciation of period	--	60 390 015	201 732 193	4 809 470	6 378 835	10 286 104	4 058 925	7 241 178	**294 896 720**
Disposals of accumulated depreciation	--	(586 494)	(158 866 125)	(3 246 644)	--	(20 455)	--	--	**(162 719 718)**
Translation exchange differences	--	(18 832 415)	(97 580 815)	(3 137 179)	(1 460 324)	232 850	(1 147 063)	(3 090 648)	**(125 015 594)**
Accumulated depreciation and impairment as of 31/3/2025	--	**4 265 495 563**	**21 141 735 687**	**688 525 059**	**323 623 785**	**178 004 065**	**292 740 740**	**692 712 637**	**27 582 837 536**
Net book value as of 31/3/2025	**1 651 275 896**	**2 996 722 589**	**3 587 205 419**	**61 868 984**	**109 876 649**	**87 812 261**	**86 102 052**	**60 044 229**	**8 640 908 079**
Net book value as of 31/12/2024	**1 658 038 678**	**3 056 716 466**	**3 771 161 142**	**60 490 670**	**99 815 541**	**97 915 847**	**88 959 981**	**65 532 767**	**8 898 631 092**

(All amounts in Egyptian Pounds unless otherwise stated)

7- PROJECTS IN PROGRESS

	31/3/2025	31/12/2024
Buildings under Construction	166 398 491	168 447 257
Machinery & Equipment under installation	174 151 261	109 883 582
Computer systems	13 472 097	14 865 904
Advance payment for purchasing of Fixed assets	128 526 699	71 198 962
	482 548 548	**364 395 705**

8- RIGHT USE OF ASSETS

	Showroom rent	Oriental weavers USA - rental	Total
Cost at 1/1/2025	**709 642 856**	**453 147 516**	**1 162 790 372**
Additions during the period	8 720 960	52 627 936	61 348 896
Disposals during the period	(3 352 002)	--	(3 352 002)
Translation differences	--	(2 251 188)	(2 251 188)
Cost at 31/3/2025	**715 011 814**	**503 524 264**	**1 218 536 078**
Accumulated depreciation at 1/1/2025	**255 177 708**	**366 863 222**	**622 040 930**
Depreciation of period	26 532 232	11 163 584	37 695 816
Disposals of accumulated depreciation	(3 352 002)	--	(3 352 002)
Translation differences	--	(1 822 537)	(1 822 536)
Accumulated depreciation at 31/3/2025	**278 357 938**	**376 204 270**	**654 562 208**
Net book value at 31/3/2025	**436 653 876**	**127 319 994**	**563 973 870**
Net book value at 31/12/2024	**454 465 148**	**86 284 294**	**540 749 442**

9- INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31/3/2025	31/12/2024
Egyptian Propylene & Polypropylene Company "E.P.P"	1 000 503 679	1 005 498 889
Alahli Bank of Kuwait- Egypt	51 172 252	51 172 252
Orientals for Industrial Projects	2 422 800	2 422 800
Prudential company – U.S. A	2 372 127	2 383 970
Cambridge Weavers (under liquidation)	3 750	3 750
Trading for Development Export	1	1
10th of Ramadan for Spinning Industries (under liquidation)	1	1
Egyptian for Trade and Marketing	1	1
	1 056 474 611	**1 061 481 664**

(All amounts in Egyptian Pounds unless otherwise stated)

10- INVENTORY

	31/3/2025	31/12/2024
Raw materials	4 879 393 087	5 049 917 889
Spare parts & materials	987 575 020	972 058 964
Work in process	429 548 504	421 352 899
Finished products	4 716 027 390	4 942 987 349
Letter of credit for purchasing of raw materials	150 763 079	162 556 603
	11 163 307 080	**11 548 873 704**
Less: Impairment in inventory	(88 092 059)	(88 189 935)
	11 075 215 021	**11 460 683 769**

11- TRADES & NOTES RECEIVABLE

	31/3/2025	31/12/2024
Trades receivables	4 439 844 872	5 009 504 342
Notes receivables	927 236 623	521 770 094
	5 367 081 495	**5 531 274 436**
(Less): Expected credit loss – Note No (17)	(549 691 182)	(538 168 250)
	4 817 390 313	**4 993 106 186**

- Trades & Notes Receivable include amount of LE due 8 266 733 from related parties at March 31, 2025 results from sales of carpets.

12- DEBTORS AND OTHER DEBIT ACCOUNTS

	31/3/2025	31/12/2024
Prepaid expenses	138 910 777	65 181 996
Tax authority – debit accounts	839 589 055	804 126 394
Deposits with others	76 791 191	77 602 162
Accrued revenues	2 724 964	14 333 907
Letter of guarantee	17 544 427	25 700 993
Petty cash & advance to employees	33 533 649	28 569 988
Suppliers – advance payment	125 979 198	197 469 909
Other debit accounts	84 975 143	39 567 082
	1 320 048 404	**1 252 552 431**
(Less): Expected credit loss – Note No (17)	(5 264 291)	(6 444 369)
	1 314 784 113	**1 246 108 062**

13- TREASURY BILLS

	31/3/2025	31/12/2024
Treasury bills (mature in 90 days)	298 700 000	146 050 000
Treasury bills (mature in more than 90 days)	1 927 700 000	1 880 000 000
	2 226 400 000	**2 026 050 000**
(Less): Unrealized returns	(141 414 972)	(241 558 160)
	2 084 985 028	**1 784 491 840**

(All amounts in Egyptian Pounds unless otherwise stated)

14- FINANCIAL ASSETS AT AMORTIZED COST

	31/3/2025	31/12/2024
Treasury bonds - Eurobond	1 340 406 148	423 138 153
(Less): discount	(212 588 152)	(21 206 542)
	1 127 817 996	**401 931 611**
(Less): Expected credit loss – Note No (17)	(6 367 512)	(4 490 956)
	1 121 450 484	**397 440 655**

15- CASH AND CASH EQUIVALENTS

	31/3/2025	31/12/2024
Banks – Time deposits	1 626 790 719	1 121 361 076
Banks – Current accounts	2 160 064 071	2 971 364 851
Cash on hand	4 890 269	4 398 477
Cash at banks and on hand	**3 791 745 059**	**4 097 124 404**
(Less): Expected credit loss – Note No (17)	(3 123 980)	(3 481 063)
	3 788 621 079	**4 093 643 341**

Cash and cash equivalents for cash flows statement purposes		
Cash in banks and the fund before the expected credit loss	**3 791 745 059**	**4 097 124 404**
Term deposits held as security for part of the credit facilities granted to the group	(37 574)	(37 574)
Cash and cash equivalents	**3 791 707 485**	**4 097 086 830**
Add:		
Treasury bills with maturity of 90 days	295 239 311	135 688 764
Cash and cash equivalents for cash flows statement Purposes	**4 086 946 796**	**4 232 775 594**

16- Assets held for sale

	31/3/2025	31/12/2024
Machinery & equipment- Oriental Weavers Co. U.S.A.	4 682 810	6 753 971
	4 682 810	**6 753 971**

17- Expected credit loss

	Trade receivables	Debtors & other debit balances	Financial Assets at Amortized Cost	Cash & cash equivalent	Total
balance at 1/1/2025	**538 168 250**	**6 444 369**	**4 490 956**	**3 481 063**	**552 584 638**
Charge to statement of income	13 450 629	(1 168 646)	1 898 677	(341 710)	13 838 950
Translation differences	(1 927 697)	(11 432)	(22 121)	(15 373)	(1 976 623)
Provision balance at 31/3/2025	**549 691 182**	**5 264 291**	**6 367 512**	**3 123 980**	**564 446 965**

(All amounts in Egyptian Pounds unless otherwise stated)

18- Issued and paid-up capital

18-1 The company's authorized capital is determined to be L.E 1 000 000 000 (one billion Egyptian pounds).

18-2 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.

18-3 The company's shares are centrally kept at Misr for Central Clearing, Depositary and Registry Co. and those shares are traded in Egyptian exchange.

19- Reserves

	31/3/2025	31/12/2024
Legal reserve	1 489 636 233	1 363 947 293
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	256 016 947	246 528 905
Unrealized gain from financial investments at FVTOCI	256 229 148	257 354 657
	2 202 112 151	**2 068 060 678**

20- Non-Controlling interest

	Non-controlling interest in Equity	Non-controlling interest in comprehensive income	Balance as of 31/3/2025	Balance as of 31/12/2024
Orientals Weavers international Co (O.W.I)	537 821	2 386	540 207	619 317
MAC Carpet Mills	639 291 182	(4 884 746)	634 406 436	681 854 666
Egyptian Fibres Co. EFCO	257 024 298	28 384 893	285 409 191	342 530 169
New MAC	7 670 015	(218 359)	7 451 656	10 503 032
Oriental Weavers Textile	864 048 382	(9 887 357)	854 161 025	874 167 344
Oriental Weavers Co. U.S.A.	224 326 549	(5 380 392)	218 946 157	224 329 533
	1 992 898 247	**8 016 425**	**2 000 914 672**	**2 134 004 061**

(All amounts in Egyptian Pounds unless otherwise stated)

21- Long term loans

BANK	Loan Currency	Principal of the loan in original Currency	Balance of the loan as of 31/3/2025	Balance as of 31/3/2025 current portion due in one period	Balance as of 31/3/2025 long term installments	Balance as of 31/12/2024 current portion due in one period	Balance as of 31/12/2024 long term installments	Terms of Payment
Emirates NBD Egypt bank	USD	**8 000 000**	**67 538 650**	67 538 650	--	101 813 800	--	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**	**84 841 397**	21 210 349	63 631 048	6 819 946	47 739 625	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**	**31 843 229**	31 843 229	--	30 901 048	15 450 499	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**	**113 796 743**	45 518 697	68 278 046	44 171 866	66 257 825	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**	**54 426 274**	54 426 274	--	82 047 012	--	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**	**53 081 004**	53 081 004	--	51 510 399	--	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.
E Bank	USD	2 170 000	**24 126 125**	24 126 125	--	31 410 390	--	The principal of the loan shall be settled over 12quarterly installments, the interest and commission shall be computed and paid upon its due date.
			429 653 422	**297 744 328**	**131 909 094**	**348 674 461**	**129 447 949**	

(All amounts in Egyptian Pounds unless otherwise stated)

22- LEASE CONTRACTS LIABILITY

	Due within one year	Due more than one year	Balance at 31/3/2025
Oriental Weavers Co. U.S.A.	55 540 642	75 773 065	131 313 707
Showroom	121 307 456	401 075 053	522 382 509
	176 848 098	**476 848 118**	**653 696 216**

23- DEFERRED TAX LIABILITIES

-Deferred tax Assets and liabilities

	31/3/2025		31/12/2024	
	Assets	(Liabilities)	Assets	(Liabilities)
Fixed assets	--	(206 858 881)	--	(211 422 454)
Temporary tax differences – O.W. (USA)	313 885 768	--	315 452 904	--
Fair value reserve of investment at FVOCI	--	(46 949 591)	--	(46 949 591)
Total deferred tax assets / (liabilities)	**313 885 768**	**(253 808 472)**	**315 452 904**	**(258 372 045)**
Net deferred tax (liabilities)	**60 077 296**	**--**	**57 080 859**	--

-The movement of deferred tax liabilities is shown below:

	31/3/2025		31/12/2024	
	Assets	(Liabilities)	Assets	(Liabilities)
Beginning balance	**315 452 904**	**(258 372 045)**	**80 192 650**	**(229 548 092)**
Fair value reserve of investment at FVOCI	--	--	--	(3 787 997)
Charged to the statement of income	--	4 237 620	163 074 759	648 853
Translation Difference	(1 567 136)	325 953	72 185 495	(25 684 809)
Ending balance	**313 885 768**	**(253 808 472)**	**315 452 904**	**(258 372 045)**

24- Provisions

	Balance as of 1/1/2025	Formed during the period	Used During the period	Translation differences	Balance as of 31/3/2025
Provisions for claims	325 910 581	23 512 091	(10 104 978)	(526 836)	338 790 858
	325 910 581	**23 512 091**	**(10 104 978)**	(526 836)	**338 790 858**

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.

25- BANKS – CREDIT ACCOUNTS

Banks – credit accounts amounting to L.E 7 488 952 821 as of March 31, 2025 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)

26- TRADES & NOTES PAYABLE

	31/3/2025	31/12/2024
Trades payable	1 592 857 921	2 900 934 818
Notes Payable	1 215 459 656	529 442 860
	2 808 317 577	**3 430 377 678**

- Trades & Notes Payable include amount of LE 512 568 due to related parties at March 31, 2025, results from carpet's sales to these parties.

27- CREDITORS AND OTHER CREDIT ACCOUNTS

	31/3/2025	31/12/2024
Accrued expenses	343 446 711	537 117 386
Tax authority	67 706 193	46 396 168
Social insurance authority	40 998 114	31 492 864
Trade receivable – advance payment	586 111 863	558 780 063
Creditors – purchases of fixed assets	9 031 934	285 883
Credit balances - related parties	6 205 946	6 419 964
Deposits from others	339 819 797	335 026 643
Other credit accounts	47 556 567	57 852 727
	1 440 877 125	**1 573 371 698**

28- FINANCE EXPENSES

	31/3/2025	31/3/2024
Bank interest	118 215 801	127 986 437
Interest of lease contracts liabilities	15 149 108	9 128 084
	133 364 909	**137 114 521**

29- Basic earnings per share in the separate financial statements

The basic earnings per share are determined as follows: -

	31/3/2025	31/3/2024
Net profit for the period	1 764 303 658	1 377 020 276
Average of shares number available during the period	665 107 268	665 107 268
	2.65	**2.07**

30- CONTINGENT LIABILITIES

Letter of Guarantees Issued by Banks in favour of the company and its subsidiaries to third parties as of March 31, 2025 amounted to L.E 160 255 019 he contingent liabilities from letter of credit in that date amounted to L.E 1 079 116 047.

31- CAPITAL COMMITMENTS

The capital commitments as of March 31, 2025 amounted to L.E 71 825 766 **represents** the value of new extension related to showrooms and completion of construction in progress.

32- TAX POSITION

32-1 Oriental Weavers Carpet

Corporate Tax

- The company has been inspected till December 31, 2019.
- The company submits its annual tax return regularly on legal dates.

Salaries & Wages Tax

- The company was inspected and the tax has been settled till December 31, 2022.
- The company submits its tax return on the legal dates.

Sales Tax

- The company was inspected and the tax has been settled till December 31, 2022.
- 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, 2022.
- The company submits the tax return on the legal dates.

Real estate Tax

- The tax has been assessed and paid till December 31, 2024.

32-2 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, 2022 and the assessed tax differences were paid.
- The company submits its tax return on the legal dates.

32-3 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.
- The company submits its tax return on the legal dates.

Stamp Duty Tax

- The company has been inspected till December 31, 2020.
- 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.

32-4 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: 2023 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: 2023 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: 2023 have not been inspected.

Withholding tax

- The company was inspected up to 2022 and the assessed tax difference was paid.
- The years 2023 have not been inspected.

32-5 New Mac Company

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, 2022 and the assessed tax were paid.
- The years 2023: 2024 have not been inspected.

Withholding tax

- The company has been inspected till December 31, 2016 and the assessed tax were paid.
- Year 2017/2022, the company has not been inspected yet.
- The years 2023: 2024 have not been inspected.

32-6 Egyptian Fibers Company – EFCO

Corporate Tax

- The company has been inspected for the years from 1987 till 2019 and the assessed tax were paid.
- The years 2020:2022 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, 2022 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, 2023 and the assessed tax were paid.
- The company submits its monthly tax return regularly on legal dates.

(All amounts in Egyptian Pounds unless otherwise stated)

Stamp Duty Tax

- The company was inspected up to till December 31, 2023 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.
- The payment has been made to the Commercial Department in Cairo and the company's exhibition in the 10th of Ramadan City until the year 2024.

33- FINANCIAL INSTRUMENTS AND RISK MANAGMENT

A- Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables from customers and all kind of receivables.

The company's management has established a credit policy under which each customer is analysed individually for creditworthiness and these limits are reviewed on an on-going basis.

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

	Note №	2025/03/31	2024/12/31
Trades and notes receivable	(11)	4 817 390 313	4 993 106 186
Debtors and other debit accounts	(12)	1 314 784 113	1 246 108 062
		6 132 174 426	**6 239 214 248**

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.