ORIENTAL WEAVERS CARPETS COMPANY

(An Egyptian Joint Stock Company)

Separate Financial Statements

For The Financial period ended June 30, 2025

Together With Limited Review Report

Contents	Page

bakertilly
MOHAMED HILAL & WAHID ABDEL GHAFFAR

Degla view building -Ring road,
Katameya,Cairo, Egypt

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

87 Ramsis Street, Cairo.
Egypt

T: +2 2725 10 04
T: +2 2725 10 08
T: +2 2725 10 09

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 separate financial position of Oriental Weavers Company for Carpets "S.A.E" at June 30, 2025 and the separate statement of income, separate statement of comprehensive income, separate statement of changes in equity and separate cash flow statement for the six months then ended, and a summary of significant accounting policies and other explanatory notes. These separate financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these separate 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 separate 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 separate interim financial statements do not give a true and fair view for the separate financial position of the Company as of June 30, 2025 and of its financial performance and its cash flows for the six months then ended in accordance with Egyptian Accounting Standards.

Cairo: August 12, 2025

Auditor

Amr Wahid

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

MOHAMED HILAL & WAHID ABDEL GHAFFAR
bakertilly
18

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)
Separate statement of financial position as of June 30, 2025

(All amounts are in Egyptian Pounds)

	Note №	30/6/2025	31/12/2024
Non current assets			
Fixed assets	(5)	940 040 742	1 009 434 477
Projects in progress	(8)	146 322 391	73 160 799
Right of use assets	(9)	395 291 442	382 853 115
Investments in subsidiaries	(6)	1 348 416 085	1 348 416 085
Investments at fair value through other comprehensive income	(7)	51 172 254	51 172 255
Total non current assets		**2 881 242 914**	**2 865 036 731**
Current assets			
Inventory	(10)	2 213 099 743	2 015 423 951
Trades and notes receivable	(11)	1 584 231 344	1 454 453 109
Debtors and other debit accounts	(12)	1 153 264 761	605 798 519
Treasury bills	(13)	1 251 238 260	1 648 803 076
Cash at banks and on hand	(14)	597 643 158	340 316 989
Total current assets		6 799 477 266	6 064 795 644
Total assets		9 680 720 180	8 929 832 375
Equity			
Issued and paid up capital	(16)	665 107 268	665 107 268
Reserves	(17)	1 171 165 449	1 155 578 228
Retained earnings		2 232 816 063	1 502 283 469
Net profit for the period/year		1 864 193 557	1 931 732 736
Total equity		5 933 282 337	5 254 701 701
Non current liabilities			
lease contracts liabilities	(19)	355 328 608	343 136 269
Deferred tax liabilities	(20)	95 021 294	99 589 170
Total non current liabilities		**450 349 902**	**442 725 439**
Current liabilities			
Provisions	(21)	156 509 582	143 468 224
Banks-Credit accounts	(22)	565 127 886	291 494 867
Lease contracts liabilities - current portion	(19)	115 853 395	106 899 544
Trades and notes payable	(23)	1 571 494 791	2 110 054 745
Long term liabilities - current portion	(18)	46 942 397	133 557 411
Dividends payable		430 251 718	3 551 794
Creditors and other credit accounts	(24)	353 809 055	344 036 951
Tax payable		57 099 117	99 341 699
Total current liabilities		**3 297 087 941**	**3 232 405 235**
Total liabilities		**3 747 437 843**	**3 675 130 674**
Total equity and liabilities		**9 680 720 180**	**8 929 832 375**

The accompanying notes from №.(1) to №. (34) form an integral part of these separate financial statements.
Limited review report "attached".

Chairman	CEO	CFO
Yasmin Mohamed Farid Khamis	Hazem shawki Al-Zafzaf	Shehta Farouk Imam

حازم زفزاف

شحاته فاروق

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Separate statement of income for the financial period ended June 30, 2025

(All amounts are in Egyptian Pounds)

	Note №	From 1/1/2025 To 30/6/2025	From 1/1/2024 To 30/6/2024	From 1/4/2025 To 30/6/2025	From 1/4/2024 To 30/6/2024
Net sales	(25)	4 395 405 123	4 164 656 947	2 060 878 349	2 015 824 069
Less:					
Cost of sales		4 156 995 385	3 677 272 234	1 949 650 070	1 836 388 155
Gross profit		**238 409 738**	**487 384 713**	**111 228 279**	**179 435 914**
Add / (less):					
Financial investments income	(26)	1 716 061 260	1 572 535 391	--	103 193 503
Capital gain		8 854 587	2 990 618	7 012 398	--
Other revenues		23 707 951	164 254 086	17 976 780	164 030 587
Treasury bills returns		232 554 395	255 315 144	106 983 543	130 965 873
Interest income		28 797 954	39 412 684	14 266 258	17 869 187
Distribution expenses		(108 049 653)	(87 922 195)	(53 574 126)	(42 885 730)
General and administrative expenses	(27)	(122 150 595)	(114 045 257)	(59 235 006)	(46 368 516)
Reverse Expected credit loss	(15)	1 366 456	(2 615 405)	3 320 760	(8 109 375)
Formed provisions and impairment		(16 531 776)	(17 400 000)	--	(3 600 000)
Finance expenses	(28)	(47 419 272)	(52 848 710)	(25 725 471)	(24 416 526)
Foreign exchange differences		25 480 848	(332 687 396)	3 610 887	(26 845 156)
Net profit for the period before income tax		**1 981 081 893**	**1 914 373 673**	**125 864 302**	**443 269 761**
(Less)\ Add:					
Current income tax for the period	(29)	(121 456 212)	(184 930 591)	(27 794 243)	(87 597 511)
Deferred tax	(20)	4 567 876	3 452 680	1 819 840	203 236
Income tax for the period		**(116 888 336)**	**(181 477 911)**	**(25 974 403)**	**(87 394 275)**
Net profit for the period after income tax		**1 864 193 557**	**1 732 895 762**	**99 889 899**	**355 875 486**
Basic earnings per share	(30)	**2.80**	**2.61**	**0.15**	**0.54**

The accompanying notes from №.(1) to №. (34) form an integral part of these separate financial statements.

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

(All amounts are in Egyptian Pounds)

	From 1/1/2025 To 30/6/2025	From 1/1/2024 To 30/6/2024	From 1/4/2025 To 30/6/2025	From 1/4/2024 To 30/6/2024
Net profit for the period	1 864 193 557	1 732 895 762	99 889 899	355 875 486
Other comprehensive income	--	--	--	--
Total other comprehensive income after tax	--	--	--	--
Total comprehensive income for the period	1 864 193 557	1 732 895 762	99 889 899	355 875 486

The accompanying notes from №.(1) to №. (34) form an integral part of these separate financial statements.

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Separate statement of changes in equity for the financial period ended June 30, 2025

(All amounts are in Egyptian Pounds)

	Issued and paid up capital	Reserves	Retained earnings	Net profit	Total equity
Balance at 1/1/2024	665 107 268	1 134 546 415	1 283 864 893	1 145 108 967	**4 228 627 543**
Transferred to capital reserve	--	7 106 306	--	(7 106 306)	--
Dividends	--	--	--	(919 584 085)	**(919 584 085)**
Transferred to retained earning	--	--	218 418 576	(218 418 576)	--
Total Comprehensive income for the period	--	--	--	1 732 895 762	**1 732 895 762**
Balance at 30/6/2024	**665 107 268**	**1 141 652 721**	**1 502 283 469**	**1 732 895 762**	**5 041 939 220**
Balance at 1/1/2025	665 107 268	1 155 578 228	1 502 283 469	1 931 732 736	**5 254 701 701**
Transferred to capital reserve	--	15 587 221	--	(15 587 221)	--
Dividends	--	--	--	(1 185 612 921)	**(1 185 612 921)**
Transferred to retained earning	--	--	730 532 594	(730 532 594)	--
Total Comprehensive income for the period	--	--	--	1 864 193 557	**1 864 193 557**
Balance at 30/6/2025	**665 107 268**	**1 171 165 449**	**2 232 816 063**	**1 864 193 557**	**5 933 282 337**

The accompanying notes from №.(1) to №. (34) form an integral part of these separate financial statements.

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Separate statement of cash flow for the financial period ended June 30, 2025

(All amounts are in Egyptian Pounds)

	Note №	30/6/2025	30/6/2024
Cash flows from operating activities			
Net profit for the period before income tax		1 981 081 893	1 914 373 673
Adjustments to reconcile net profit to net cash provided by operating activities			
Fixed assets depreciation		77 501 385	67 432 854
Depreciation of right of use assets		44 726 618	40 991 481
Expected credit loss		(1 366 456)	2 615 405
Finance expenses		47 419 272	52 848 710
Interest income		(28 797 954)	(39 412 684)
Formed provisions and impairment		16 531 776	17 400 000
Financial investments revenues		(1 716 061 260)	(1 572 535 391)
Treasury bills returns		(232 554 395)	(255 315 144)
Capital (gain)		(8 854 587)	(2 990 618)
Operating profits before changes in working capital		**179 626 292**	**225 408 286**
Change in :			
Inventory		(197 675 792)	(391 917 447)
Trades and notes receivable		(128 125 740)	(420 756 566)
Debtors and other debit accounts		(181 083 865)	(174 639 570)
Trades and notes payable		(538 559 954)	30 381 505
Creditors and other credit accounts		6 281 687	(56 299 860)
Cash flows (used in) operating activities		**(859 537 372)**	**(787 823 652)**
Finance expenses paid		(47 419 272)	(52 848 710)
Proceeds from interest income		28 797 954	39 412 684
Income tax paid		(76 427 671)	(82 618 584)
Net cash flows (used in) operating activities		**(954 586 361)**	**(883 878 262)**
Cash flows from investing activities			
(Payments) for purchase of fixed assets and projects in progress		(88 718 575)	(58 269 109)
(Payments) to treasury bills due more than three months		(1 282 994 401)	(4 648 071 450)
Proceeds from sale of fixed assets		16 303 920	4 820 358
Proceeds from treasury bills due more than three months		1 913 113 612	4 744 368 316
Proceeds from investments income		1 262 365 036	1 572 535 391
Net cash flows provided by investing activities		**1 820 069 592**	**1 615 383 506**
Cash flows from financing activities			
Proceeds to banks-credit accounts		273 633 019	(29 504 053)
Lease contracts liabilities paid		(36 018 755)	(31 663 623)
(Payments) proceeds from long term loans		(86 615 014)	19 046 972
Dividends paid		(758 912 997)	(912 681 559)
Net cash flows (used in) financing activities		**(607 913 747)**	**(954 802 263)**
Net change in cash and cash equivalents during the period		**257 569 484**	**(223 297 019)**
Cash and cash equivalents at the beginning of the period		340 638 083	817 525 177
Cash and cash equivalents at end of the period represents in:	(14)	**598 207 567**	**594 228 158**
Cash and cash equivalents	(14)	598 207 567	275 514 230
Treasury bills	(13)	1 251 238 260	2 133 373 240
Treasury bills due more than three months	(13)	(1 251 238 260)	(1 814 659 312)
Cash and cash equivalents		**598 207 567**	**594 228 158**

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

1-7 The Financial Statements are approved for issue by the Board of Directors on August 12, 2025

2 - .BASIS OF PREPARATION OF SEPARATE FINANCIAL STATEMENTS

2-1 Statement of compliance

- The Separate 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 Separate 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 Separate 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. (4) From the notes of the financial statements indicates the items and the elements that have significant accounting estimates.
- Estimates and underlying assumption are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3-1 Fair Value Measurement

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

4-1 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 Separate 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 Separate income statement for the period.

4-2 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.

4-3 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.

4-4 Investments in subsidiaries

Subsidiaries are companies that the company has the control over it, the control is achieved if the company has all the following:

(a) Power over the investee;

(b) Exposure, or rights, to variable returns from its involvement with the investee; and

(c) The ability to use its power over the investee to affect the amount of the investor's returns.

Investment in subsidiaries is accounted using the cost method where the investment in subsidiaries is recognized at acquisition cost less impairment losses. Impairment is determined for each investment separately and is recognized in the income statement.

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, if no impairment loss had been recognized.

4-5 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.

4-6 Financial instruments

4-6-1 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.

4-6-2 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.

4-6-3 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

4-6-4 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.

4-6-5 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.

4-6-6 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.

4-6-7 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.

4-7 Inventory

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

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

4-8 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:

(A) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and

(B) 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.

4-9 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.

4-10 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.

4-11 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.

4-12 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.

4-13 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:

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

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

(C) 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.

4-14 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.

4-15 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.

4-16 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.

4-17 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 recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

- Impairment losses are recognized 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 amortization, if no impairment loss had been recognized.

4-18 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 Separate 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 Separate 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.

4-19 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.

4-20 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.

4-21 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.

4-22 Cash flow statement

Separate Cash flow statement is prepared using the indirect method.

For purpose of preparing the Separate 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.

4-23 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)

5- Fixed assets*

	Land	Buildings & Constructions	Machinery & equipment	Vehicles	Tools & Supplies	Showrooms Fixture	Furniture & office equipment	Computers	Total
Cost as of 31/12/2023	**137 538 790**	**427 210 500**	849 714 413	**31 007 088**	51 842 680	**182 403 285**	**74 933 921**	56 519 618	**1 811 170 295**
Additions	--	--	52 084 080	3 339 144	12 100 590	46 061 320	19 640 750	4 791 265	**138 017 149**
Disposals	--	(3 030 560)	(15 755 642)	(2 342 511)	(195 282)	(2 085 819)	(20 271)	--	**(23 430 085)**
Cost as of 31/12/2024	**137 538 790**	424 179 940	**886 042 851**	**32 003 721**	**63 747 988**	**226 378 786**	94 554 400	61 310 883	1 925 757 359
Additions	--	--	--	1 885 964	8 821 388	1 747 862	992 995	2 108 774	15 556 983
Disposals	--	(2 302 923)	(18 815 690)	(2 133 000)	--	(35 052)	--	--	(23 286 665)
Cost as of 30/6/2025	**137 538 790**	421 877 017	867 227 161	31 756 685	72 569 376	**228 091 596**	95 547 395	63 419 657	1 918 027 677
Accumulated depreciation and impairment as of 31/12/2023	--	165 587 367	365 281 362	27 085 498	33 815 302	116 462 006	42 476 625	43 297 120	794 005 280
Depreciation of year **	--	15 218 779	76 468 724	1 013 867	6 368 446	30 432 059	5 183 090	7 105 479	**141 790 444**
Disposals of accumulated depreciation	--	(903 065)	(13 933 295)	(2 342 503)	(195 282)	(2 078 610)	(20 087)	--	**(19 472 842)**
Accumulated depreciation and impairment as of 31/12/2024	--	179 903 081	427 816 791	25 756 862	39 988 466	144 815 455	47 639 628	50 402 599	916 322 882
Depreciation of period **	--	7 490 477	40 788 619	779 015	4 013 666	17 416 902	3 286 297	3 726 409	77 501 385
Disposals of accumulated depreciation	--	(495 241)	(13 188 638)	(2 132 998)	--	(20 455)	--	--	(15 837 332)
Accumulated depreciation and impairment as of 30/6/2025	--	186 898 317	455 416 772	24 402 879	44 002 132	162 211 902	50 925 925	54 129 008	977 986 935
Net book value as of 30/6/2025	137 538 790	234 978 700	411 810 389	7 353 806	28 567 244	65 879 694	44 621 470	9 290 649	940 040 742
Net book value as of 31/12/2024	137 538 790	244 276 859	458 226 060	6 246 859	23 759 522	81 563 331	46 914 772	10 908 284	1 009 434 477

* There are no restrictions on title as of June 30,2025

** the Depreciation of the year is allocated as follows:

	30/6/2025
Industrial expenses	47 741 282
Distribution expenses	26 805 443
General and administrative expenses	2 954 660
	77 501 385

(All amounts in Egyptian Pounds unless otherwise stated)

6- Investments in subsidiaries

	Country of Origin	Ownership %	Acquisition Cost	Accumulated Impairment	30/6/2025	31/12/2024
Oriental Weavers – USA	USA	82.68	127 127 706	(4 305 383)	122 822 323	122 822 323
Oriental Weavers International	Egypt	99.01	728 049 443	(51 258 912)	676 790 531	676 790 531
Oriental Weavers Textile•	Egypt	37.13	39 605 000	--	39 605 000	39 605 000
Egyptian Fibers Co. EFCO	Egypt	67.87	109 175 358	--	109 175 358	109 175 358
Mac Carpet Mills	Egypt	58.29	750 697 752	(350 674 879)	400 022 873	400 022 873
			1 754 655 259	**(406 239 174)**	**1 348 416 085**	**1 348 416 085**

- In addition to the direct investment in Oriental Weavers Textile the company has owned also 34.31% indirectly through some of its subsidiaries.

7- Investments at fair value through other comprehensive income

	30/6/2025	31/12/2024
Alahli Bank of Kuwait– Egypt	51 172 252	51 172 252
Trading for Development Export	1	1
Egyptian for Trade and Marketing	1	1
10th of Ramadan for Spinning Industries (under liquidation) •	--	1
	51 172 254	**51 172 255**

•On June 18, 2025 the 10th of Ramadan for Spinning Industries company has been liquidated and removed from the commercial register

(All amounts in Egyptian Pounds unless otherwise stated)

8-PROJECTS IN PROGRESS

	30/6/2025	31/12/2024
Machinery & Equipment under installation	48 958 668	21 586 230
Buildings under Construction	50 836 114	47 903 237
Computer systems	2 841 895	2 841 895
Letters of credit for purchasing fixed assets	4 131 472	--
Advance payment	39 554 242	829 437
	146 322 391	**73 160 799**

9-RIGHT USE OF ASSETS

	Showroom rent	Total
Cost at 1/1/2025	596 869 338	**596 869 338**
Additions	57 164 945	**57 164 945**
Disposals	(20 642 593)	**(20 642 593)**
Cost at 30/6/2025	**633 391 690**	**633 391 690**
Accumulated depreciation at 1/1/2025	**214 016 223**	**214 016 223**
Depreciation of period	44 726 618	**44 726 618**
Disposals of accumulated depreciation	(20 642 593)	**(20 642 593)**
Accumulated depreciation at 30/6/2025	**238 100 248**	**238 100 248**
Net book value at 30/6/2025	**395 291 442**	**395 291 442**
Net book value at 31/12/2024	**382 853 115**	**382 853 115**

10-INVENTORY

	30/6/2025	31/12/2024
Raw materials	644 753 612	581 399 173
Spare parts & materials	127 951 473	110 114 686
Work in process	80 798 818	53 633 708
Finished products	1 399 056 210	1 303 470 317
Letter of credit for purchasing of raw materials	10 322 753	16 589 190
	2 262 882 866	**2 065 207 074**
(Less): Impairment in inventory	(49 783 123)	(49 783 123)
	2 213 099 743	**2 015 423 951**

11-TRADES & NOTES RECEIVABLE

	30/6/2025	31/12/2024
Trades receivables – Export	860 713 589	783 315 737
Trades receivables – Local	341 383 490	239 247 290
	1 202 097 079	**1 022 563 027**
Notes receivables	441 738 480	493 146 792
	1 643 835 559	**1 515 709 819**
(Less): Expected credit loss – Note No (15)	(59 604 215)	(61 256 710)
	1 584 231 344	**1 454 453 109**

Trades & Notes Receivable include amount of LE 269 373 762 due from related parties at June 30, 2025 results from sales of carpets

(All amounts in Egyptian Pounds unless otherwise stated)

12- DEBTORS AND OTHER DEBIT ACCOUNTS

	30/6/2025	31/12/2024
letter of guarantee covers	240 151	200 000
Tax authority – withholding	43 837 835	87 271 123
Tax authority – VAT	562 506 748	441 249 800
Petty cash & advance to employees	16 780 281	12 869 933
Suppliers – advance payment	11 053 341	13 517 777
Prepaid expenses	34 800 014	23 562 075
Deposits with others	9 939 551	9 939 551
Accrued revenue	453 696 224	--
Other debit accounts	20 908 253	17 643 173
	1 153 762 398	**606 253 432**
(Less): Expected credit loss – Note No (15)	(497 637)	(454 913)
	1 153 264 761	**605 798 519**

13- TREASURY BILLS

	30/6/2025	31/12/2024
Treasury bills (mature in more than 90 days)	1 367 700 000	1 880 000 000
Less: Unearned returns	(116 461 740)	(231 196 924)
	1 251 238 260	**1 648 803 076**

14- CASH AND CASH EQUIVALENTS

	30/6/2025	31/12/2024
Banks – Current accounts	595 289 075	338 661 852
Cash on hand	2 918 492	1 976 231
Cash at banks and on hand	**598 207 567**	**340 638 083**
Less:		
(Less): Expected credit loss – Note No (15)	(564 409)	(321 094)
	597 643 158	**340 316 989**

Cash and cash equivalents for cash flows statement purposes

	30/6/2025	31/12/2024
Cash in banks and the fund before the expected credit loss	598 207 567	340 638 083
Treasury bills	1 251 238 260	1 648 803 076
Treasury bills with maturity of more than 90 days	(1 251 238 260)	(1 648 803 076)
Cash and cash equivalents for cash flows statement Purposes	**598 207 567**	**340 638 083**

15- Expected credit loss

	Trade & Notes receivables	Debtors & other debit balances	Cash & cash equivalent	Total
Balance as at 1/1/2025	**61 256 710**	**454 913**	**321 094**	**62 032 717**
Charge to statement of income	(1 652 495)	42 724	243 315	(1 366 456)
Provision balance at 30/6/2025	**59 604 215**	**497 637**	**564 409**	**60 666 261**

(All amounts in Egyptian Pounds unless otherwise stated)

16- Issued and paid-up capital

16-1 The company's authorized capital is determined to be L.E 1 000 000 000 (one billion Egyptian pounds).

16-2 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.

16-3 The company's shares are centrally kept at Misr for Central Clearing, Depositary and Registry Co. and those shares are traded in Egyptian exchange.

17- Reserves

	30/6/2025	31/12/2024
Legal reserve	957 499 475	957 499 475
Special reserve	59 973 828	59 973 828
Capital reserve	123 479 701	107 892 480
Unrealized gain from financial investments at FVTOCI	30 212 445	30 212 445
	1 171 165 449	**1 155 578 228**

18- Medium TERM LOANS

	30/6/2025	31/12/2024
Attijari wafa bank		
Medium term loan of Euro 5 million to finance the purchase of machinery and equipment. The principal of the loan shall be settled over 8 equal half annually starting from 30/6/2022 till 30/12/2025.	20 261 016	51 510 399
Emirates NBD Egypt bank		
Medium term loan of USD 7 million to finance the purchase of machinery and equipment. The loan shall be settled over 12 quarterly installments The principal of the loan shall be settled after the end of the grace period that ends no later than 12 months from the date of the first withdrawal.	26 681 381	82 047 012
	46 942 397	**133 557 411**
Less:		
Current portion due in one year	**(46 942 397)**	**(133 557 411)**
	--	--

(All amounts in Egyptian Pounds unless otherwise stated)

19- LEASE CONTRACTS LIABILITY

	Due within one year	Due more than one year	Balance at 30/6/2025
Showroom rental	115 853 395	355 328 608	471 182 003
	115 853 395	**355 328 608**	**471 182 003**

20- DEFERRED TAX LIABILITIES

-Recognized Deferred tax Assets and Liabilities

	30/6/2025		31/12/2024	
	Assets	(Liabilities)	Assets	(Liabilities)
Fixed assets	--	(86 249 681)	--	(90 817 557)
Fair value reserve of investment at FVOCI	--	(8 771 613)	--	(8 771 613)
Total deferred tax assets / (liabilities)	--	**(95 021 294)**	--	**(99 589 170)**
Net deferred tax (liabilities)	--	**(95 021 294)**	--	**(99 589 170)**

-The movement of deferred tax liabilities is shown below:

	30/6/2025 (Liabilities)	31/12/2024 (Liabilities)
Beginning balance	(99 589 170)	(94 152 633)
Fixed assets	4 567 876	(1 393 649)
Fair value reserve of investment at FVOCI	--	(4 042 888)
Ending balance	**(95 021 294)**	**(99 589 170)**

-Unrecognized Deferred tax Assets and Liabilities

The company has deferred tax assets that have not been recognized because there is not probable that benefits will be used in the future.

	30/6/2025		31/12/2024	
	Assets	(Liabilities)	Assets	(Liabilities)
Impairment in subsidiaries	45 968 711	--	45 968 711	--
Impairment in financial investments	47 699	--	122 709	--
Expected credit losses	13 649 909	--	13 932 713	--
	59 666 319	--	**60 024 133**	--

21- Provisions

	Balance as of 1/1/2025	Formed During the period	Used During the period	Balance as of 30/6/2025
Provisions for claims	143 468 224	16 531 776	(3 490 418)	156 509 582
	143 468 224	**16 531 776**	**(3 490 418)**	**156 509 582**

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.

(All amounts in Egyptian Pounds unless otherwise stated)

22- BANKS – CREDIT ACCOUNTS

	30/6/2025	31/12/2024
Bank of Alexandria	318 976 430	14 588 605
QNB ALHLI	--	59 101 817
Export Development Bank	70 128 096	34 098 046
Arab Bank	91 973 010	68 843 292
Attijariwafa Bank	84 050 350	95 584 103
Emirates NBD Egypt bank	--	19 279 004
	565 127 886	**291 494 867**

23- TRADES & NOTES PAYABLE

	30/6/2025	31/12/2024
Trades payable – local	860 335 447	1 374 651 770
Trades payable – abroad	164 566 844	225 886 961
	1 024 902 291	**1 600 538 731**
Notes Payable	546 592 500	509 516 014
	1 571 494 791	**2 110 054 745**

-Trades & Notes Payable include amount of LE 1 329 932 081 due to related parties at June 30, 2025 results from purchase and operate of raw material

24- CREDITORS AND OTHER CREDIT ACCOUNTS

	30/6/2025	31/12/2024
Accrued expenses	60 873 298	67 403 518
Tax authority	16 363 234	16 961 060
Social insurance authority	10 605 649	8 521 429
Credit balances - related parties	6 132 191	6 419 964
Creditors – purchases of fixed assets	35 025	175 110
Deposits from others	21 672 924	22 242 694
Trade receivable – advance payment	223 232 044	207 250 618
Other credit accounts	14 894 690	15 062 558
	353 809 055	**344 036 951**

25- Sales (net)

	From 1/1/2025 To 30/6/2025	From 1/1/2024 To 30/6/2024	From 1/4/2025 To 30/6/2025	From 1/4/2024 To 30/6/2024
Local sales	3 190 963 898	3 276 249 878	1 519 092 505	1 609 045 690
Export sales	1 144 084 630	840 941 346	511 064 210	381 640 258
	4 335 048 528	**4 117 191 224**	**2 030 156 715**	**1 990 685 948**
Production scrap sales	60 356 596	47 465 723	30 721 635	25 138 121
	4 395 405 124	**4 164 656 947**	**2 060 878 350**	**2 015 824 069**

-Sales include amount of LE 376 387 937 represents carpet sales to related parties at June 30, 2025.

26- Financial investments income

	From 1/1/2025 To 30/6/2025	From 1/1/2024 To 30/6/2024	From 1/4/2025 To 30/6/2025	From 1/4/2024 To 30/6/2024
Oriental Weavers International	1 500 500 815	1 469 341 888	--	--
Oriental Weavers Textile	37 675 745	35 115 529	--	35 115 529
Egyptian Company Fiber – EFCO	169 666 000	67 866 400	--	67 866 400
Modern Spinning Company	--	211 574	--	211 574
mac company	8 218 700	--	--	--
	1 716 061 260	**1 572 535 391**	**--**	**103 193 503**

(All amounts in Egyptian Pounds unless otherwise stated)

27- General and administrative expenses

	From 1/1/2025 To 30/6/2025	From 1/1/2024 To 30/6/2024	From 1/4/2025 To 30/6/2025	From 1/4/2024 To 30/6/2024
Salaries & wages	80 545 823	68 702 429	40 678 354	34 051 884
Social insurance	3 177 115	2 524 650	1 597 111	1 238 035
	83 722 938	**71 227 079**	**42 275 465**	**35 289 919**
Other administrative expenses	38 427 657	42 818 178	16 959 541	11 078 597
	122 150 595	**114 045 257**	**59 235 006**	**46 368 516**

28- FINANCE EXPENSES

	From 1/1/2025 To 30/6/2025	From 1/1/2024 To 30/6/2024	From 1/4/2025 To 30/6/2025	From 1/4/2024 To 30/6/2024
Bank interest	27 235 476	35 144 895	15 480 810	15 379 837
Financing cost of purchase of land in the new administrative capital	--	509 605	--	255 632
Interest of lease contracts liabilities	20 183 796	17 194 210	10 244 661	8 781 057
	47 419 272	**52 848 710**	**25 725 471**	**24 416 526**

29- Income tax

	30/6/2025	30/6/2024
Current income tax	57 099 117	128 436 329
Dividend Income tax	17 846 216	6 786 640
Treasury bills tax	46 510 879	49 707 622
Income tax at statement of income	**121 456 212**	**184 930 591**

29-1 Effective tax rate

	30/6/2025	30/6/2024
Profit before tax	1 981 081 893	1 914 373 673
Tax rate	%22.5	%22.5
Tax at the domestic rate of 22.5%	**445 743 425**	**430 734 076**
Depreciation	6 051 190	2 872 032
Tax exempt	(386 113 784)	(353 772 859)
Provisions	3 412 197	4 503 466
Capital gain	(1 992 281)	(720 493)
Non-deductible expenses	(10 001 630)	44 820 107
Current income tax	**57 099 117**	**128 436 329**
Dividend Income tax	17 846 216	6 786 640
Treasury bills tax	46 510 879	49 707 622
	121 456 212	**184 930 591**
Effective tax rate	**6.13%**	**6.61%**

(All amounts in Egyptian Pounds unless otherwise stated)

30- Basic earnings per share

- The basic earnings per share are determined as follows: -

	From 1/1/2025 To 30/6/2025	From 1/1/2024 To 30/6/2024	From 1/4/2025 To 30/6/2025	From 1/4/2024 To 30/6/2024
Net profit for the period	1 864 193 557	1 732 895 762	99 889 899	355 875 486
Average of shares number available during the period	665 107 268	665 107 268	665 107 268	665 107 268
	2.80	**2.61**	**0.15**	**0.54**

31- CONTINGENT LIABILITIES

Letter of Guarantees Issued by Banks in favour of the company to third parties as of June 30, 2025 amounted to L.E 99 417 583

32- CAPITAL COMMITMENTS

The capital commitments as of June 30, 2025 amounted to L.E 9 904 023 represents the value of new extension related to showrooms.

33- TAX POSITION

1-33 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.

2-33 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.

3-33 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.

4-33 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.

5-33 Real estate Tax

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

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 Separate financial statements as follows:

	Note №	30/6/2025	31/12/2024
Trades and notes receivable	(11)	1 584 231 344	1 454 453 109
Debtors and other debit accounts	(12)	1 153 264 761	605 798 519
		2 737 496 105	**2 060 251 628**

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.

The monetary assets and liabilities at the financial position date are equivalent to L. E 1 115 765 549 and L.E 1 650 046 012 respectively.

At the Separate financial position date, the net balances of foreign currencies as follows: -

Foreign currencies	(Deficit)
USD	(9 467 977)
Euro	(1 101 865)
GBP	1 131
AED	2 665

As explained in Note 4-1 "Foreign currency translation", the balances of assets and liabilities of a monetary nature denominated in foreign currencies described above have been assessed using the exchange rates declared by the banks with which the Company deals at the reporting date.

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.