ORIENTAL WEAVERS CARPETS COMPANY

(An Egyptian Joint Stock Company)

Separate Financial Statements

For The Financial period ended June 30, 2026

Together With limited review report

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bakertilly
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Translation from Arabic

Limited Review Report

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

Introductory

We have reviewed the accompanying separate financial position of Oriental Weavers Company for Carpets "S.A.E" at June 30, 2026 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, 2026 and of its financial performance and its cash flows for the six months then ended in accordance with Egyptian Accounting Standards.

Cairo: August 11, 2026

Auditor

Amr Wahid

Amr Wahid Abdel Ghaffar
BakerTilly Mohamed Hilal & Wahid Abdel Ghaffar.

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)
Separate statement of financial position as of june 30, 2026

(All amounts are in Egyptian Pounds)

	Note №	30/6/2026	31/12/2025
Non current assets			
Fixed assets	(5)	1 113 978 481	1 056 000 422
Projects in progress	(8)	311 041 237	58 137 538
Right of use assets	(9)	363 694 613	381 317 950
Investments in subsidiaries	(6)	1 611 431 418	1 348 416 085
Investments at fair value through other comprehensive income	(7)	50 464 515	50 464 515
Total non current assets		**3 450 610 264**	**2 894 336 510**
Current assets			
Inventory	(10)	2 007 418 919	2 038 832 704
Trades and notes receivable	(11)	1 462 884 683	1 589 727 461
Debtors and other debit accounts	(12)	1 182 428 296	698 158 146
Treasury bills	(13)	1 203 377 550	597 450 506
Cash at banks and on hand	(14)	1 667 575 472	1 447 502 837
Total current assets		**7 523 684 920**	**6 371 671 654**
Total assets		**10 974 295 184**	**9 266 008 164**
Equity			
Issued and paid up capital	(16)	665 107 268	665 107 268
Reserves	(17)	1 188 415 673	1 170 616 951
Retained earnings		3 229 086 170	2 232 816 063
Net profit for the period/year		1 852 730 095	2 125 780 942
Total equity		**6 935 339 206**	**6 194 321 224**
Non current liabilities			
lease contracts liabilities	(18)	326 095 666	343 768 497
Deferred tax liabilities	(19)	98 600 072	108 219 905
Total non current liabilities		**424 695 738**	**451 988 402**
Current liabilities			
Provisions	(20)	134 606 757	168 844 157
Credit accounts	(21)	876 145 669	433 875 064
Lease contracts liabilities - current portion	(18)	131 787 343	123 853 145
Trades and notes payable	(22)	1 026 194 956	1 394 592 115
Dividends payable		680 292 097	14 066 778
Creditors and other credit accounts	(23)	642 485 371	392 517 522
Tax payable		122 748 047	91 949 757
Total current liabilities		**3 614 260 240**	**2 619 698 538**
Total liabilities		**4 038 955 978**	**3 071 686 940**
Total equity and liabilities		**10 974 295 184**	**9 266 008 164**

The accompanying notes from №.(1) to №. (33) form an integral part of these separate financial statements.
Limited review report attached.

Chairman	CEO	CFO
Yasmin Mohamed Farid Khamis	Hazem shawki Alzifzaf	Shehta Farouk Imam

Translation from Arabic

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Separate statement of income for the financial period ended june 30, 2026

(All amounts are in Egyptian Pounds)

	Note №	From 1/1/2026 To 30/6/2026	From 1/4/2025 To 30/6/2025	From 1/4/2026 To 30/6/2026	From 1/4/2025 To 30/6/2025
Net sales	(24)	4 590 430 646	4 395 405 123	2 175 421 725	2 060 878 349
Less:					
Cost of sales		4 120 128 229	4 156 995 385	1 950 450 845	1 949 650 070
Gross profit		**470 302 417**	**238 409 738**	**224 970 880**	**111 228 279**
Add / (less):					
Financial investments income	(25)	1 501 008 500	1 716 061 260	4 713 236	--
Gain from sale of fixed assets		87 490 354	8 854 587	16 681 773	7 012 398
Other revenues		117 321 237	23 707 951	59 565 688	17 976 780
Treasury bills returns		158 521 188	232 554 395	79 817 237	106 983 543
Interest income		37 862 516	28 797 954	17 540 473	14 266 258
Reversal of Provisions		20 000 000	--	20 000 000	--
Distribution expenses		(115 932 604)	(108 049 653)	(58 426 476)	(53 574 126)
General and administrative expenses	(26)	(180 433 229)	(122 150 595)	(91 563 957)	(59 235 006)
Expected credit loss	(15)	(3 315 168)	1 366 456	(1 806 450)	3 320 760
[illegible] provisions and impairment		--	(16 531 776)	21 717 605	--
[illegible] expenses	(27)	(46 197 991)	(47 419 272)	(23 334 298)	(25 725 471)
Foreign exchange differences		(21 391 797)	25 480 848	(88 012 126)	3 610 887
Net profit for the period before income tax		**2 025 235 423**	**1 981 081 893**	**181 863 585**	**125 864 302**
(Less)\ Add:					
Current income tax for the period	(28)	(182 125 161)	(121 456 212)	(50 034 721)	(27 794 243)
Deferred tax	(19)	9 619 833	4 567 876	5 315 540	1 819 840
Income tax for the period		**(172 505 328)**	**(116 888 336)**	**(44 719 181)**	**(25 974 403)**
Net profit for the period after income tax		**1 852 730 095**	**1 864 193 557**	**137 144 404**	**99 889 899**
Basic earnings per share	(29)	**2.79**	**2.80**	**0.21**	**0.15**

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

Chairman	CEO	CFO
Yasmin Mohamed Farid Khamis	Hazem shawki Alzifzaf	Shehta Farouk Imam

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Separate statement of comprehensive income for the financial period ended june 30, 2026

(All amounts are in Egyptian Pounds)

	From 1/1/2026 To 30/6/2026	From 1/4/2025 To 30/6/2025	From 1/4/2026 To 30/6/2026	From 1/4/2025 To 30/6/2025
Net profit for the period	**1 852 730 095**	**1 864 193 557**	**137 144 404**	**99 889 899**
Other comprehensive income	--	--	--	--
Total other comprehensive income after tax	--	--	--	--
Total comprehensive income for the period	**1 852 730 095**	**1 864 193 557**	**137 144 404**	**99 889 899**

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

Translation from Arabic

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Separate statement of changes in equity for the financial period ended june 30, 2026

(All amounts are in Egyptian Pounds)

	Issued and paid up capital	Reserves	Retained earnings	Net profit	Total equity
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**
Balance at 1/1/2026	665 107 268	1 170 616 951	2 232 816 063	2 125 780 942	**6 194 321 224**
Transferred to Capital Reserve	--	17 798 722		(17 798 722)	--
Dividends	--	--	(1 111 712 113)	--	**(1 111 712 113)**
Transferred to retained earning	--	--	2 107 982 220	(2 107 982 220)	--
Total Comprehensive income for the period	--	--	--	1 852 730 095	**1 852 730 095**
Balance at 30/6/2026	**665 107 268**	**1 188 415 673**	**3 229 086 170**	**1 852 730 095**	**6 935 339 206**

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

Translation from Arabic

Oriental Weavers Carpets Company (An Egyptian Joint Stock Company)

Separate statement of cash flow for the financial period ended june 30, 2026

(All amounts are in Egyptian Pounds)

	Note №	30/6/2026	30/6/2025
Cash flows from operating activities			
Net profit for the period before income tax		2 025 235 423	1 981 081 893
Adjustments to reconcile net profit to net cash provided by operating activities			
Fixed assets depreciation		90 273 825	77 501 385
Depreciation of right of use assets		48 335 572	44 726 618
Expected credit loss		3 315 168	(1 366 456)
Finance expenses		46 197 991	47 419 272
Interest income		(37 862 516)	(28 797 954)
Reversal of Provisions		(20 000 000)	--
Formed provisions and impairment		--	16 531 776
Financial investments income		(1 501 008 500)	(1 716 061 260)
Treasury bills returns		(158 521 188)	(232 554 395)
(Gain) from sale of fixed assets		(87 490 354)	(8 854 587)
Operating profits before changes in working capital		**408 475 421**	**179 626 292**
Change in :			
Inventory		31 413 785	(197 675 792)
Trades and notes receivable		124 419 138	(128 125 740)
Debtors and other debit accounts		169 615 289	(181 083 865)
Trades and notes payable		(368 397 159)	(538 559 954)
Creditors and other credit accounts		235 730 448	6 281 687
Cash flows provided by operating activities		**601 256 922**	**(859 537 372)**
Finance expenses paid		(46 197 991)	(47 419 272)
Proceeds from interest income		37 862 516	28 797 954
Income tax paid		(63 284 763)	(76 427 671)
Net cash flows provided by operating activities		**529 636 684**	**(954 586 361)**
Cash flows from investing activities			
(Payments) for purchase of fixed assets and projects in progress		(404 292 090)	(88 718 575)
(Payments) to treasury bills due more than 90 days		(1 448 105 855)	(1 282 994 401)
Proceeds from sale of fixed assets		90 626 861	16 303 920
Proceeds from treasury bills due more than 90 days		1 000 700 000	1 913 113 612
Proceeds from investments income		759 133 712	1 262 365 036
Payments for Acquisition of Investments in Subsidiaries		(263 015 333)	--
Net cash flows (used in) investing activities		**(264 952 705)**	**1 820 069 592**
Cash flows from financing activities			
proceeds to banks-credit accounts		442 270 605	273 633 019
(Payments) of lease contracts liabilities		(40 450 868)	(36 018 755)
(Payments) from long term loans		--	(86 615 014)
Dividends paid		(445 486 794)	(758 912 997)
Net cash flows (used in) / provided by financing activities		**(43 667 057)**	**(607 913 747)**
Net change in cash and cash equivalents during the period		**221 016 922**	**257 569 484**
Cash and cash equivalents at the beginning of the period		1 448 101 570	340 638 083
Cash and cash equivalents at end of the period represents in:	(14)	**1 669 118 492**	**598 207 567**
Cash and cash equivalents	(14)	1 669 118 492	598 207 567
Treasury bills	(13)	1 203 377 550	1 251 238 260
Treasury bills due more than three months	(13)	(1 203 377 550)	(1 251 238 260)
Cash and cash equivalents		**1 669 118 492**	**598 207 567**

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

Based on the resolution of the Extraordinary General Assembly dated August 13, 2026, approval was granted to add the following objective:

- Production of mechanical carpets and semi-handwoven carpets (hand-tufted) carpets, as well as all types of woven and non-woven textiles and furnishings, carpets and maquettes of all kinds, carpet covers of all types, ready-made garments, and all kinds of yarns and threads produced from natural, synthetic, or blended materials required for spinning and weaving. This also includes all types of machinery and equipment necessary for the spinning and weaving industry, dyeing, printing, finishing, and all complementary, packaging, and wrapping processes. The company may also market all its own products or those of others throughout the Republic, export them, and import the machinery, equipment, and raw materials.
- Operating for others and through others.
- Production, manufacturing, import, export, purchase, sale, and installation of all types of movable furniture, furnishings, and household supplies of all kinds (such as dining rooms, living rooms, salons, seating sets, corner sets, bedrooms, and children's bedrooms, etc.), as well as manufacturing for others or through others for all or part of the above-mentioned activities. Performing manufacturing or production operations for others or through others.
- The company may have an interest in or participate in any manner with entities engaged in activities similar, complementary, or related to its activities, or may acquire such entities, in accordance with the provisions of this contract and with the approval of the General Authority for Investment and Free Zones.

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 11 Auguste 2026.

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[illegible] 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 <u>Inventory</u>

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 <u>Leases</u>

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 31/12/2024	**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	--	--	150 349 660	6 955 721	26 054 141	14 723 444	6 744 759	10 504 235	**215 331 960**
Disposals	--	(5 501 441)	(28 058 374)	(2 799 900)	(590 964)	(1 862 366)	--	--	**(38 813 045)**
Cost as of 31/12/2025	**137 538 790**	**418 678 499**	**1 008 334 137**	**36 159 542**	**89 211 165**	**239 239 864**	**101 299 159**	**71 815 118**	**2 102 276 274**
Additions	144 491 105	--	--	--	4 090 892	70 000	413 368	2 323 026	**151 388 391**
Disposals	--	(5 130 740)	--	(91 000)	--	--	--	--	**(5 221 740)**
Cost as of 30/6/2026	**282 029 895**	**413 547 759**	**1 008 334 137**	**36 068 542**	**93 302 057**	**239 309 864**	**101 712 527**	**74 138 144**	**2 248 442 925**
Accumulated depreciation 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 **	--	15 079 563	82 257 432	1 849 211	9 006 873	34 702 573	6 679 390	8 452 167	**158 027 209**
Disposals of accumulated depreciation	--	(1 294 564)	(22 301 687)	(2 799 895)	(232 500)	(1 445 593)	--	--	**(28 074 239)**
Accumulated depreciationt as of 31/12/2025	**--**	**193 688 080**	**487 772 536**	**24 806 178**	**48 762 839**	**178 072 435**	**54 319 018**	**58 854 766**	**1 046 275 852**
Depreciation of period ***	--	7 403 795	53 599 162	1 218 237	5 728 523	15 109 467	3 540 728	3 673 913	**90 273 825**
Disposals of accumulated depreciation	--	(1 994 233)	--	(91 000)	--	--	--	--	**(2 085 233)**
Accumulated depreciation as of 30/6/2026	--	**199 097 642**	**541 371 698**	**25 933 415**	**54 491 362**	**193 181 902**	**57 859 746**	**62 528 679**	**1 134 464 444**
Net book value as of 30/6/2026	**282 029 895**	**214 450 117**	**466 962 439**	**10 135 127**	**38 810 695**	**46 127 962**	**43 852 781**	**11 609 465**	**1 113 978 481**
Net book value as of 31/12/2025	**137 538 790**	**224 990 419**	**520 561 601**	**11 353 364**	**40 448 326**	**61 167 429**	**46 980 141**	**12 960 352**	**1 056 000 422**

* There are no restrictions on title as of June 30,2026.

** Additions to land represent the value of land purchased from MAC, a subsidiary.

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

	30/6/2026
Industrial expenses	62 847 427
Distribution expenses	25 896 132
General and administrative expenses	1 530 266
	90 273 825

(All amounts in Egyptian Pounds unless otherwise stated)

6- Investments in subsidiaries

	Country of Origin	Ownership %	Acquisition Cost	Accumulated Impairment at subsidiaries	30/6/2026	31/12/2025
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	87.74	372 190 691	--	372 190 691	109 175 358
Mac Carpet Mills	Egypt	58.29	750 697 752	(350 674 879)	400 022 873	400 022 873
			2 017 670 592	**(406 239 174)**	**1 611 431 418**	**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.

** The Company has subscribed to the capital increase of subsidiary company (EFCO) for26 290 753 shares with a nominal value of 10 Egyptian pounds per share, resulting in an ownership percentage of 87.74%.

7- Investments at fair value through other comprehensive income

	30/6/2026	31/12/2025
Alahli Bank of Kuwait- Egypt	50 464 513	50 464 513
Trading for Development Export	1	1
Egyptian for Trade and Marketing	1	1
	50 464 515	**50 464 515**

(All amounts in Egyptian Pounds unless otherwise stated)

8-PROJECTS IN PROGRESS

	30/6/2026	31/12/2025
Machinery & Equipment under installation	13 789 091	--
Buildings under Construction	265 026 033	43 082 217
Computers	13 911 979	10 654 930
Advance payment	18 314 134	4 400 391
	311 041 237	**58 137 538**

* The buildings, constructions and showrooms balance includes an amount of EGP 209 008 895, representing the value of buildings purchased from MAC, a subsidiary.

9-RIGHT USE OF ASSETS

	Showroom rent	Total
Cost at 31/12/2025	652 628 819	**652 628 819**
Additions of period	30 712 235	30 712 235
Disposals of period	(17 108 108)	(17 108 108)
Cost at 30/6/2026	**666 232 946**	**666 232 946**
Accumulated depreciation at 31/12/2025	**271 310 869**	**271 310 869**
Depreciation of period	48 335 572	48 335 572
Disposals of accumulated depreciation	(17 108 108)	(17 108 108)
Accumulated depreciation at 30/6/2026	**302 538 333**	**302 538 333**
Net book value at 30/6/2026	**363 694 613**	**363 694 613**
Net book value at 31/12/2025	**381 317 950**	**381 317 950**

10-INVENTORY

	30/6/2026	31/12/2025
Raw materials	566 334 579	563 906 824
Spare parts & materials	135 934 581	129 397 856
Work in process	45 704 665	53 752 598
Finished products	1 342 454 579	1 364 792 979
Letter of credit for purchasing of raw materials	21 990 515	5 264 842
	2 112 418 919	**2 117 115 099**
(Less): Impairment in inventory	(105 000 000)	(78 282 395)
	2 007 418 919	**2 038 832 704**

11-TRADES & NOTES RECEIVABLE

	30/6/2026	31/12/2025
Trades receivables – Export	785 891 382	922 705 629
Trades receivables – Local	356 757 688	402 281 194
	1 142 649 070	**1 324 986 823**
Notes receivables	385 554 522	327 635 907
	1 528 203 592	**1 652 622 730**
(Less): Expected credit loss – Note No (15)	(65 318 909)	(62 895 269)
	1 462 884 683	**1 589 727 461**

Trades & Notes Receivable include amount of LE 265 597 255 due from related parties at June 30, 2026 results from sales of carpets

(All amounts in Egyptian Pounds unless otherwise stated)

12- DEBTORS AND OTHER DEBIT ACCOUNTS

	30/6/2026	31/12/2025
letter of guarantee covers	200 000	240 151
Tax authority – withholding	38 888 610	88 042 108
Tax authority – VAT	315 715 936	548 830 726
Petty cash & advance to employees	5 461 189	10 507 506
Suppliers – advance payment	18 598 182	1 516 458
Prepaid expenses	31 935 244	14 372 911
Deposits with others	11 513 077	10 035 446
Accrued revenue	741 874 788	1 195 397
Other debit accounts	18 516 533	23 745 465
	1 182 703 559	**698 486 168**
(Less): Expected credit loss – Note No (15)	(275 263)	(328 022)
	1 182 428 296	**698 158 146**

13- TREASURY BILLS

	30/6/2026	31/12/2025
Treasury bills mature in more than 90 days	1 251 300 000	639 200 000
Less:		
Unearned returns	(47 922 450)	(41 749 494)
	1 203 377 550	**597 450 506**

14- CASH AND CASH EQUIVALENTS

	30/6/2026	31/12/2025
Banks – Deposit	892 272 500	800 000 000
Banks – Current accounts	773 344 610	646 303 744
Cash on hand	3 501 382	1 797 826
Cash at banks and on hand	**1 669 118 492**	**1 448 101 570**
Less:		
(Less): Expected credit loss – Note No (15)	(1 543 020)	(598 733)
	1 667 575 472	**1 447 502 837**

Cash and cash equivalents for cash flows statement purposes

	30/6/2026	31/12/2025
Cash in banks and the fund before the expected credit loss	1 669 118 492	1 448 101 570
Treasury bills	1 203 377 550	597 450 506
Treasury bills with maturity of more than 90 days	(1 203 377 550)	(597 450 506)
Cash and cash equivalents for cash flows statement Purposes	**1 669 118 492**	**1 448 101 570**

(All amounts in Egyptian Pounds unless otherwise stated)

15- Expected credit loss

	Trade & Notes receivables	Debtors & other debit balances	Cash & cash equivalent	Total
Balance as at 1/1/2026	**62 895 269**	**328 022**	**598 733**	63 822 024
Charge to statement of income	2 423 640	(52 759)	944 287	3 315 168
Provision balance at 30/6/2026	**65 318 909**	**275 263**	**1 543 020**	**67 137 192**

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

	30/6/2026	31/12/2025
Legal reserve	957 499 475	957 499 475
Special reserve	59 973 828	59 973 828
Capital reserve	141 278 423	123 479 701
Unrealized gain from financial investments at FVTOCI	29 663 947	29 663 947
	1 188 415 673	**1 170 616 951**

18- LEASE CONTRACTS LIABILITY

	Due within one year	Due more than one year	Balance at 30/6/2026
Showroom rental	131 787 343	326 095 666	457 883 009
	131 787 343	**326 095 666**	**457 883 009**

19- DEFERRED TAX LIABILITIES

-Recognized Deferred tax Assets and Liabilities

	30/6/2026		31/12/2025	
	Assets	(Liabilities)	Assets	(Liabilities)
Fixed assets	--	(89 987 701)	--	(99 607 534)
Fair value reserve of investment at FVOCI	--	(8 612 371)	--	(8 612 371)
Total deferred tax / (liabilities)	--	**(98 600 072)**	--	**(108 219 905)**
Net deferred tax (liabilities)	--	**(98 600 072)**	--	**(108 219 905)**

(All amounts in Egyptian Pounds unless otherwise stated)

-The movement of deferred tax liabilities is shown below:

	30/6/2026 (Liabilities)	31/12/2025 (Liabilities)
Balance at 1 January	**(108 219 905)**	**(99 589 170)**
Deferred tax arising from:		
Fixed assets	9 619 833	(8 789 977)
Fair value reserve of investment at FVOCI	--	159 242
Net deferred tax liability	**(98 600 072)**	**(108 219 905)**

-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.

	30/6/2026		31/12/2025	
	Assets	(Liabilities)	Assets	(Liabilities)
Impairment in subsidiaries	91 403 814	--	91 403 814	--
Impairment in financial investments	47 699	--	47 699	--
Expected credit losses	15 105 868	--	14 359 955	
Impairment in inventory	23 625 000	--	17 613 539	--
	130 182 381	**--**	**123 425 007**	**--**

20- Provisions

	Balance as of 1/1/2026	No Longer Required During Pthe Period	Formed During Pthe Period	Balance as of 30/6/2026
Provisions for claims	168 844 157	(20 000 000)	(14 237 400)	134 606 757
	168 844 157	**(20 000 000)**	**(14 237 400)**	**134 606 757**

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.

21- BANKS – CREDIT ACCOUNTS

	30/6/2026	31/12/2025
Bank of Alexandria	181 946 698	163 932 417
Export Development Bank	25 592 349	3 891 186
Arab Bank	332 014 829	34 522 475
Attijariwafa Bank	336 591 793	231 528 986
	876 145 669	**433 875 064**

(All amounts in Egyptian Pounds unless otherwise stated)

22-TRADES & NOTES PAYABLE

	30/6/2026	31/12/2025
Trades payable – local	324 757 247	853 094 016
Trades payable – abroad	212 933 481	92 054 380
	537 690 728	**945 148 396**
Notes Payable	488 504 228	449 443 719
	1 026 194 956	**1 394 592 115**

-Trades & Notes Payable include amount of LE **936 046 498** due to related parties at June 30, 2026 results from purchase and operate of raw material

23- CREDITORS AND OTHER CREDIT ACCOUNTS

	30/6/2026	31/12/2025
Accrued expenses	64 738 279	83 316 698
Tax authority	24 229 116	20 846 066
Social insurance authority	14 245 810	6 521 941
Credit balances - related parties	5 370 656	5 594 373
Creditors – purchases of fixed assets	246 740 000	6 597 247
Deposits from others	13 767 664	18 335 059
Trade receivable – advance payment	221 452 016	220 882 465
Other credit accounts	51 941 830	30 423 673
	642 485 371	**392 517 522**

24- Sales (net)

	From 1/1/2026 To 30/6/2026	From 1/1/2025 To 30/6/2025	From 1/4/2026 To 30/6/2026	From 1/4/2025 To 30/6/2025
Local sales	3 582 858 544	3 190 963 898	1 615 503 003	1 519 092 505
Export sales	955 261 029	1 144 084 630	530 689 109	511 064 210
	4 538 119 573	**4 335 048 528**	**2 146 192 112**	**2 030 156 715**
Production scrap sales	52 311 037	60 356 595	29 229 613	30 721 634
	4 590 430 646	**4 395 405 123**	**2 175 421 725**	**2 060 878 349**

-Sales include amount of LE 391 604 935 represents carpet sales to related parties.

25- Financial investments income

	From 1/1/2026 To 30/6/2026	From 1/1/2025 To 30/6/2025	From 1/4/2026 To 30/6/2026	From 1/4/2025 To 30/6/2025
Oriental Weavers International	1 082 228 305	1 500 500 815	--	--
Oriental Weavers Textile	142 051 431	37 675 745	--	--
Egyptian Company Fiber – EFCO	272 015 527	169 666 000	--	--
Mac company	--	8 218 700	--	--
Modern Spinning Company	--	--	--	--
AL Ahli Bank of Kuwait-Egypt	4 713 237	--	4 713 236	--
	1 501 008 500	**1 716 061 260**	**4 713 236**	**--**

(All amounts in Egyptian Pounds unless otherwise stated)

26- General and administrative expenses

	From 1/1/2026 To 30/6/2026	From 1/1/2025 To 30/6/2025	From 1/4/2026 To 30/6/2026	From 1/4/2025 To 30/6/2025
Salaries & wages	100 459 221	80 545 823	51 685 829	40 678 354
Social insurance	4 032 049	3 177 115	2 015 209	1 597 111
	104 491 270	**83 722 938**	**53 701 038**	**42 275 465**
Other administrative expenses	75 941 959	38 427 657	37 862 919	16 959 541
	180 433 229	**122 150 595**	**91 563 957**	**59 235 006**

27- FINANCE EXPENSES

	From 1/1/2026 To 30/6/2026	From 1/1/2025 To 30/6/2025	From 1/4/2026 To 30/6/2026	From 1/4/2025 To 30/6/2025
Bank interest	22 068 509	27 235 476	11 229 337	15 480 810
Interest of lease contracts liabilities	24 129 482	20 183 796	12 104 961	10 244 661
	46 197 991	**47 419 272**	**23 334 298**	**25 725 471**

28- Income tax

	30/6/2026	2025/6/30
Current income tax	122 748 047	57 099 117
Treasury bills tax	31 704 238	46 510 879
Dividend Income tax	27 672 876	17 846 216
Income tax at statement of income	**182 125 161**	**121 456 212**

28-1 Effective tax rate

	30/6/2026	2025/6/30
Profit before tax	2 025 235 423	1 981 081 893
Tax rate	22.5%	%22.5
Tax at the domestic	**455 677 970**	**445 743 425**
Depreciation	7 813 881	6 051 190
Tax exempt	(337 164 942)	(386 113 784)
Provisions	5 632 374	3 412 197
Capital gain	(19 685 330)	(1 992 281)
Non-deductible expenses	10 474 094	(10 001 630)
Current income tax	**122 748 047**	**57 099 177**
Dividend Income tax	27 672 876	17 846 216
Treasury bills tax	31 704 238	46 510 897
	182 125 161	**121 456 212**
	9%	**6.13%**

(All amounts in Egyptian Pounds unless otherwise stated)

29- Basic earnings per share

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

	من 2026/1/1 الى 2026/6/30	من 2025/1/1 الى 2025/6/30	من 2026/4/1 الى 2026/6/30	من 2025/4/1 الى 2025/6/30
Net profit for the period	1 852 730 095	1 864 193 557	137 144 404	99 889 899
Less:				
Average of shares number available during the period	665 107 268	665 107 268	665 107 268	665 107 268
	2.79	**2.80**	**0.21**	**0.15**

30- CONTINGENT LIABILITIES

Letter of Guarantees Issued by Banks in favour of the company to third parties as of June 30, 2026 amounted to L.E 112 072 217

31- CAPITAL COMMITMENTS

The capital commitments as of June 30, 2026 amounted to L.E 9 999 424 represents the value of new extension related to showrooms.

32- TAX POSITION

1-32 Corporate Tax

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

2-32 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.

3-32 Vat 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.

4-32 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.

5-32 Real estate Tax

- The tax has been assessed and paid till December 31, 2025.

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 Separate financial statements as follows:

	Note №	30/6/2026	31/12/2025
Trades and notes receivable	(11)	1 462 884 683	1 589 727 461
Debtors and other debit accounts	(12)	1 182 428 296	698 158 146
		2 645 312 979	**2 287 885 607**

(All amounts in Egyptian Pounds unless otherwise stated)

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 1 798 040 440 and L.E 1 067 055 661 respectively.

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

Foreign currencies	Surplus/(Deficit)
USD	15 439 205
Euro	(535 980)
GBP	11

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.