

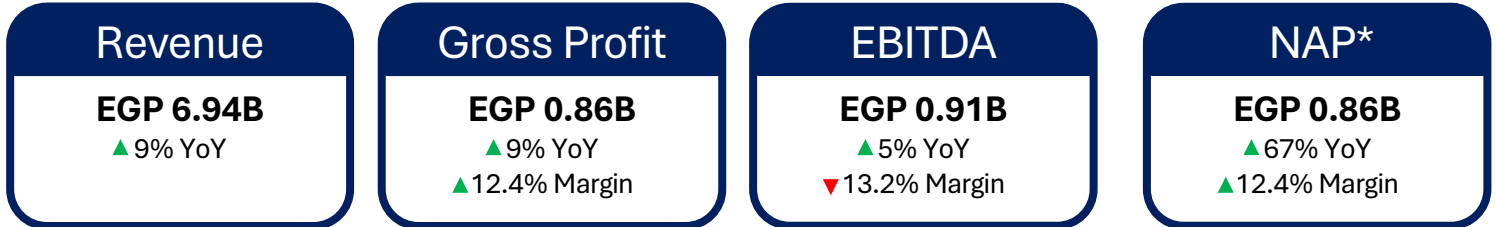
1Q 2026 Earnings Release

Cairo, Egypt

20 May 2026

Oriental Weavers (Ticker: ORWE.CA), the world's leading manufacturer of woven carpets, today announced its 1Q 2026 results.

Key Highlights



*NAP: Net Attributable Profit After Tax

Commenting on the first quarter, CEO Hazem Al Zifzaf Stated:

“We delivered a strong set of results during the quarter, reflecting strong operating momentum carried over from 4Q 2025 despite ongoing demand headwinds, geopolitical tension and continued pressure from the slowdown in the home improvement and building sectors, alongside constrained discretionary spending in Egypt.

Revenue grew 9% YoY to reach EGP 6.9B, primarily driven by an 8% increase in sales volumes, supported by international markets, especially USA, highlighting our ability to solidify our competitive positioning despite a softer global demand environment.

We continued to capitalize on our R&D capabilities through the introduction of higher-margin products across more profitable channels and destinations, while simultaneously maintaining a strong focus on operational efficiency across manufacturing and supply chain operations. Consequently, profitability continued to improve during the quarter, supported by a more favorable raw material cost environment. Gross profit increased 9% YoY to EGP 0.9B, while gross profit margin expanded 10bps YoY to 12.4%, predominantly driven by favorable polypropylene inventory prices throughout the period.

At the operational level, EBITDA grew 5% YoY to EGP 0.9B, with EBITDA margin recording 13.2%, reflecting stable operational performance during the quarter.

On the bottom-line level, earnings witnessed a significant improvement, with net profit surging 67% YoY to EGP 0.9B, driving net profit margin up by 425bps YoY to 12.9%. The strong improvement in profitability was primarily driven by higher export subsidy collections and further supported by EGP 0.3B in gains from the sale of unproductive assets during the quarter. Similarly, net attributable profit rose 67% YoY, with margin widening 434bps YoY to 12.4%, reflecting our continued focus on enhancing profitability and maximizing shareholder return.”

Sales Highlights – 1Q 2026

International Sales (65% of Revenue, 63% of Volume)

On the international front, performance remained resilient despite softer global consumer spending and continued weakness across western markets, supported by our ability to adapt product offering across key destinations.

Within the woven segment (OWE, OWA), volumes increased 9% YoY, while ASP declined 5% YoY due to currency movements, resulting in 2% YoY revenue growth.

The tufted export segment (MAC) delivered strong growth, supported by introducing higher-priced products in the USA, which contributed to stronger demand. Thus, volumes increased 12% YoY, while ASP rose 5% YoY, driving revenue growth by 18% YoY.

Meanwhile, the non-woven export segment (EFCO) benefited from stronger demand for lower price-point products in the USA amid weaker consumer spending power, with the newly added capacity in 4Q 2025 enabling expansion into new categories. Consequently, volumes increased 29% YoY, while ASP declined 17% YoY due to product mix, resulting in 7% YoY revenue growth.

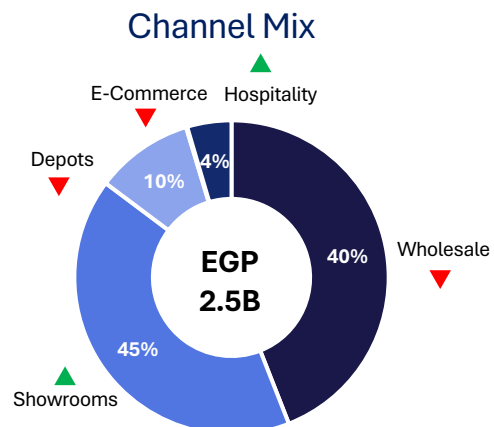
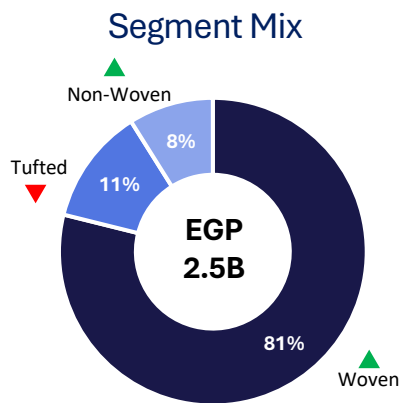
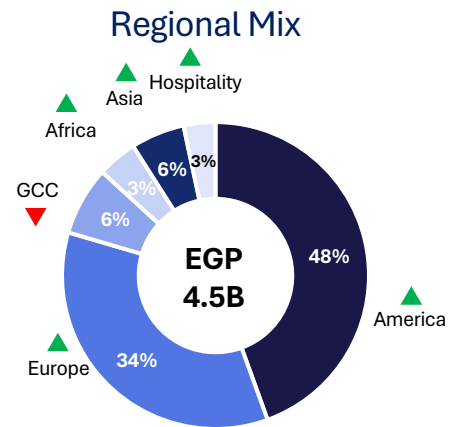
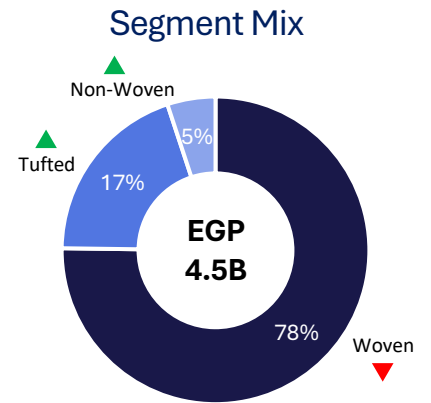
Egypt Sales (35% of Revenue, 37% of Volume)

On the domestic front, performance improved, supported by the introduction of new products despite continued pressure on discretionary spending and intensifying competition.

The woven segment (OWE) delivered strong growth, with revenues increasing 20% YoY, supported by an 8% increase in volumes alongside a 12% increase in ASP. Our focus on showrooms targeting higher-income segments continued to support performance.

Within the tufted segment (MAC), volumes declined 14% YoY, primarily due to a higher base in 1Q 2025 driven by promotional activity. However, continued product mix improvements supported a 14% YoY increase in ASP, limiting the revenue decline to 2% YoY.

Meanwhile, the non-woven segment (EFCO) remained strong during the quarter. ASP increased 12% YoY, driven by product mix improvements, while the segment continued to deliver 4% YoY volume growth, resulting in revenue growth of 17% YoY.



Financial Highlights – 1Q 2026

Below the gross profit level, we continued to focus on cost discipline and cash generation despite ongoing inflationary pressures.

COGS increased 8% YoY to EGP 6.1B, mainly reflecting an 11% YoY increase in manufacturing overheads, driven by higher utilities and a 27% YoY increase in labor costs. Meanwhile, the 4% YoY decline in raw material costs, supported by favorable polypropylene inventory prices, partially offset cost pressures and provided slight support to gross profitability during the quarter.

G&A expenses increased 32% YoY to EGP 227M, primarily reflecting higher salaries.

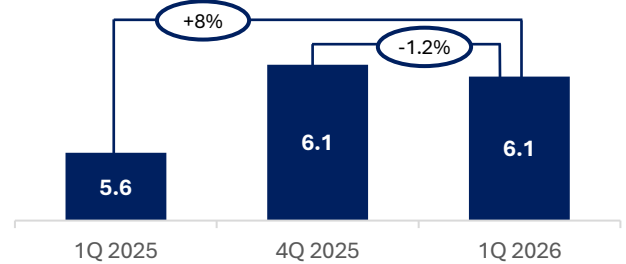
Meanwhile, we collected EGP 201M in export subsidies, entirely related to backlog claims received through government fee offsets and cash collections.

Capex increased 10% YoY to EGP 150M maintaining Capex to sales ratio of 3%. Full year capex is expected to reach EGP 1.2B, focused on capacity expansion, overhauling, and digital transformation.

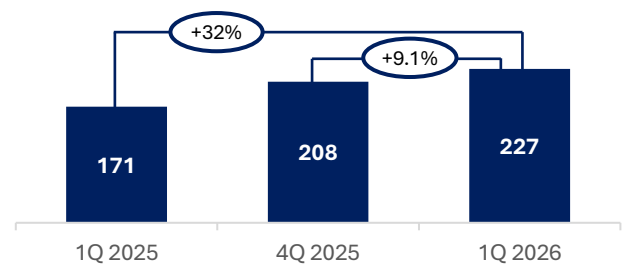
Our cash flow generation improved significantly during the quarter, with free cash flow reaching EGP 1.6B, nearly 4.9x the level recorded in 1Q 2025, supported by improved working capital management and stronger rebate collections. Notably, export rebates contribution was 12%, lower than historical levels, indicating stronger underlying operational performance. As a result, we strengthened our balance sheet, shifting from a net debt position of EGP 1.5B in 1Q 2025 to a net cash position of EGP 1.2B, further enhancing our financial flexibility.

Additionally, we recorded EGP 328M in capital gains during the quarter, sale of unproductive assets in Egypt and USA, which provided further support to our bottom-line performance.

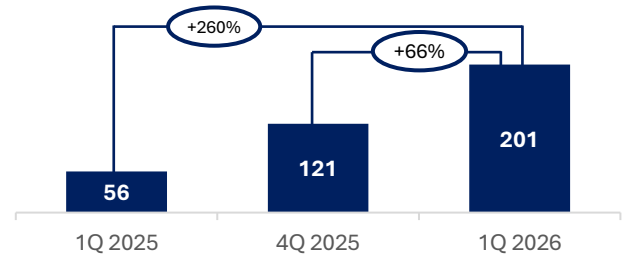
COGS EGP B



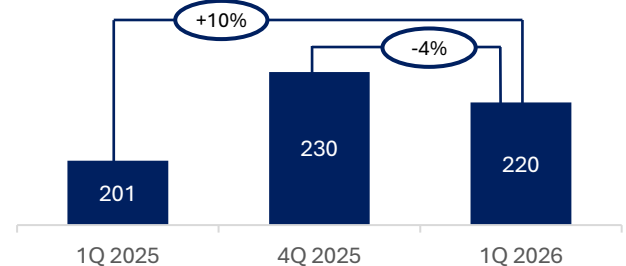
G&A EGP M



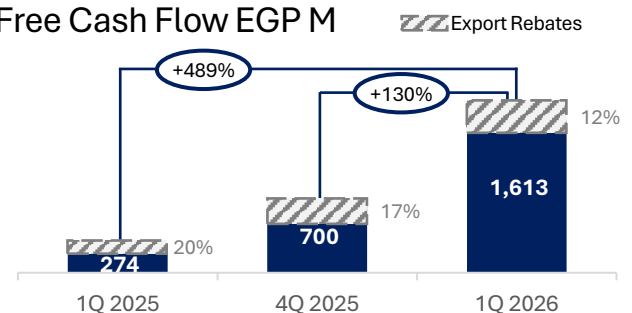
Export Rebates EGP M



Capex EGP M



Free Cash Flow EGP M



Financials – 1Q 2026

Income Statement Summary

EGP M	1Q 25	4Q 25	1Q 26	QoQ	YoY
Revenue	6,398	7,161	6,945	-3%	9%
Gross Profit	786	1,015	858	-15%	9%
EBITDA	874	1,041	930	-11%	6%
Export Rebates	56	121	201	66%	260%
Net Profit	551	501	893	78%	62%
Adj. Net Profit*	548	500	634	27%	16%
Margins:					
GPM (%)	12.3%	14.2%	12.4%	-1.8%	0.1%
EBITDA margin (%)	13.7%	14.5%	13.4%	-1.2%	-0.3%
NPM (%)	8.6%	7.0%	12.9%	5.9%	4.2%
Adj. NPM (%)*	8.6%		9.1%	2.1%	0.6%

*Adjusted for Capital Gain

Balance Sheet Summary

EGP M	1Q 25	1Q 26	YoY
Inventory	10,153	10,425	3%
Cash and Cash Equivalent	6,995	9,600	37%
Receivables	4,535	4,881	8%
Others	1,279	1,139	-11%
Current Assets	22,962	26,045	13%
Fixed Assets	8,146	8,865	9%
Others	1,970	2,168	10%
Non-Current Assets	10,116	11,033	9%
Total Assets	33,078	37,078	12%
Bank Facilities	6,613	7,552	14%
Payables	2,493	2,758	11%
Others	2,587	2,650	2%
Current Liabilities	11,693	12,960	11%
Non-Current Liabilities	553	574	4%
Total Liabilities	12,246	13,534	11%
Total Shareholders' Equity	20,832	20,375	13%
Total Liabilities & Shareholders' Equity	33,078	37,078	12%

Cash Flow Summary

EGP M	1Q 25	1Q 26	YoY
Net Cash Provided by Operating Activities	475	1,833	286%
Net Cash Used in Investing Activities	(916)	(1,896)	107%
Net Cash Used in Financing Activities	311	217	-30%
Net Change in Cash & Cash Equivalents	1,400	813	42%
Beginning of Period Cash	2,273	4,233	86%
Translation Differences of Foreign Entities	559	(201)	-136%
End of Period Cash	4,233	4,844	14%

About Oriental Weavers:

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

Forward-Looking Statement:

Certain information contained in this document consists of forward-looking statements reflecting the current view of the Company with respect to future events, and is therefore subject to certain risks, uncertainties, and assumptions. Many factors could cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements, including worldwide economic trends, the economic and political climate of Egypt and the Middle East, and changes in business strategy as well as various other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in such forward-looking statements. Recipients of this document are cautioned not to place any reliance on these forward-looking statements. The Company undertakes no obligation to republish revised forward-looking statements to reflect changed events or circumstances.

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Shareholders' Structure - YoY

