3Q 2026 Earnings Release

Cairo, Egypt

15 November 2026

Oriental Weavers (Ticker: ORWE), the world's leading manufacturer of woven carpets, today reported 3Q 2026 results.

Key Financial Highlights

3Q In EGP

REVENUE	EBITDA	NET PROFIT	NAP
7.5 Billion	1.0 Billion	0.7 Billion	0.7 Billion
▲ 8.4% YoY	13.6% margin ▲ ▲ 9.5% YoY	9.3% margin ▲ 8.0% YoY	9.8% margin ▲ ▲ 18.9% YoY

9M In EGP

REVENUE	EBITDA	NET PROFIT	NAP
21.4 Billion	3.5 Billion	2.7 Billion	2.6 Billion
▲ 9.9% YoY	16.3% margin ▲ ▲ 28.0% YoY	12.7% margin ▲ ▲ 53.8% YoY	12.3% margin ▲ ▲ 59.1% YoY

1. Adjusted net profit was EGP 2.3B after adjusting for EGP 0.6B net capital gains and one-off expense in 9M 2026
2. NAP: Net Attributable Profit
3. EBITDA include export subsidies, provisions and ECLs

Commenting on the third quarter, CEO Hazem Al Zifzaf stated:

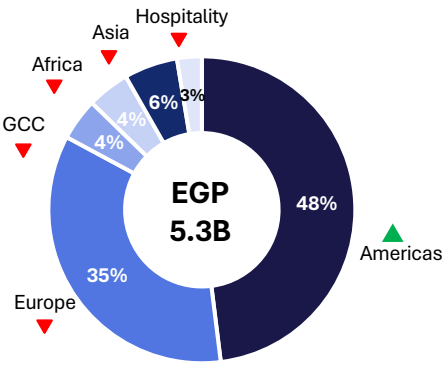
"We grew Group sales in 3Q 2026 despite softer domestic demand and regional uncertainties. We prioritized our efforts on international markets and secured new customers across the Americas, gaining 1 ppt of market share. Across our segments, we leveraged R&D to introduce new premium offerings particularly in the Americas & Asia. On the retail front, Our new generation store continued excellent performance at double traditional stores' monthly average sales/sqm and we launched our first e-commerce interactive activation booth in city center Almaza Mall."

- **Revenue** grew 8.4% YoY to EGP 7.5B, driven by pricing actions and higher-priced products across key markets, lifting ASP by 15.5%.
- **EBITDA** increased 9.5% YoY to EGP 1.0B, with flat margin at 13.6%, as pricing actions offset higher raw material, logistics and labor costs.
- **Net profit** rose 8.0% YoY to EGP 0.7B, maintaining a 9.3% margin despite lower export subsidy contributions versus the prior-year period and a higher effective tax rate in 3Q 2026.
- **Adjusted net profit**, excluding capital gains and one-off end of service expense, declined 10.0% YoY, with margin falling to 7.7%, due to lower export subsidies and FX losses.

Sales Highlights – 3Q 2026

International Sales (71% of Revenue, 71% of Volume)

Regional Mix

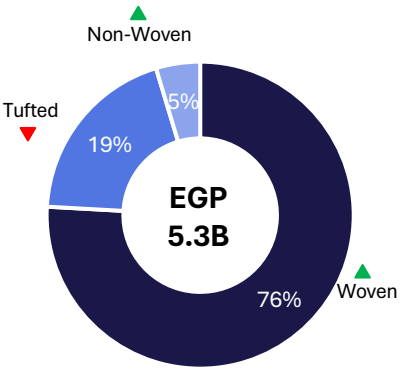


International sales increased 12.4% YoY, supported by a 13.9% increase in ASP, which more than offset a 1.3% decline in volumes amid regional uncertainties. ASP growth reflected improved product mix and pricing actions, lifting USD-denominated ASP by 9.9%, with FX depreciation contributing a further 3.6%.

By region, the Americas led growth, while higher ASPs across Europe and Asia offset volume declines:

- **Americas:** Sales increased 26.2% YoY, driven by 7.8% volume growth and a 17.1% increase in ASP, with USD-denominated ASP rising 13.0%, reflecting favorable product mix and pricing actions. Growth was further supported by new customer acquisitions in the US and trade agreement benefits that expanded the Group's LATAM presence, lifting market share by 1 ppt.
- **Europe:** Sales increased 7.0% YoY, as an 8.2% increase in USD-denominated ASP more than offset a 4.6% decline in volumes. Pricing actions and improved product mix supported ASP growth, while FX depreciation lifted ASP growth to 12.2% in EGP terms.

Segment Mix



- **Asia:** Sales increased 7.9% YoY despite a 22.0% decline in volumes, as the Group focused on higher-value, more profitable markets, particularly Japan. A shift toward products priced above USD 6/sqm, alongside pricing actions, lifted ASP by 33.4% in USD terms and 38.3% in EGP terms.
- **GCC & Africa:** Sales declined 14.1% YoY, reflecting a 10.7% volume decline following capacity reallocation toward higher-margin markets, alongside a shift toward lower price points that reduced ASP by 7.2% in USD terms and 3.8% in EGP terms.

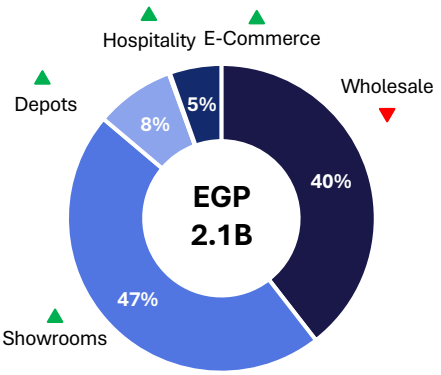
At the segment level, international performance reflected the Group's continued focus on capacity allocation toward higher-value markets and more profitable product categories:

- **Woven (OWE, OWA):** Sales increased 17.6% YoY, supported by 6.0% volume growth and a 7.1% increase in USD-denominated ASP, reflecting capacity allocation toward more profitable markets, improved product mix and pricing actions.
- **Tufted (MAC):** Sales declined 5.7% YoY, as an 11.3% volume decline, reflecting the focus on more profitable product categories, was partially offset by a 2.6% increase in USD-denominated ASP and a 6.3% increase in EGP terms.
- **Non-Woven (EFCO):** Sales increased 22.3% YoY, as the introduction of higher-value products across key markets lifted ASP by 22.8% in USD terms and 27.2% in EGP terms, more than offsetting a 3.9% volume decline.

Sales Highlights – 3Q 2026

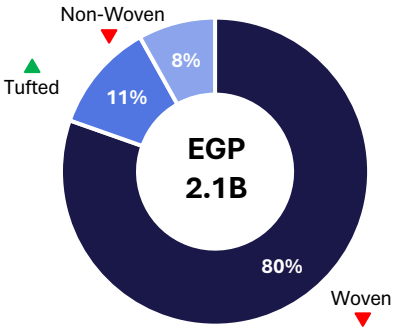
Egypt Sales
(29% of Revenue, 29% of Volume)

Channel Mix



Egypt sales remained broadly flat YoY despite weaker domestic demand and lower consumer appetite for discretionary spending. The Group maintained revenue levels through disciplined pricing actions and a shift toward higher-margin products, lifting ASP by 18.7% YoY and broadly offsetting a 16.0% decline in volumes. The volume decline primarily reflected the deliberate reallocation of production capacity toward international markets, while the Group continued to prioritize higher-margin domestic channels.

Segment Mix



By channel, Showrooms sustained domestic sales, as the Group continued to prioritize profitability over volume:

- **Showrooms (Retail):** Sales increased 7.3% YoY, as a 14.1% increase in ASP more than offset a 6.0% decline in volumes. The Group continued to prioritize retail, given its higher price points and margins.
- **Wholesale:** Sales declined 8.2% YoY, reflecting the reallocation of production capacity toward higher-margin retail channels, alongside wholesalers' shift toward lower-priced competitors. Volumes declined 21.4%, partially offset by a 16.8% increase in ASP.
- **Depots:** Sales remained flat YoY, as an 11.6% increase in ASP, supported by improved product mix and pricing actions, fully offset a 10.1% decline in volumes.
- **Hospitality:** Sales remained flat YoY, as 36.2% volume growth fully offset a 26.2% decline in ASP, reflecting a shift toward lower-priced products.

At the segment level, higher ASPs across all three segments partially mitigated weaker volumes:

- **Woven (OWE):** Sales declined 1.5% YoY, as a 16.6% increase in ASP, supported by product mix and pricing actions, partially offset a 15.5% decline in volumes.
- **Tufted (MAC):** Sales increased 12.1% YoY despite a 13.9% decline in volumes, as ASP increased 30.2%, reflecting improved product mix and pricing actions.
- **Non-Woven (EFCO):** Sales declined 4.0% YoY, as a 19.2% increase in ASP, supported by a higher-value product mix, partially offset a 19.5% decline in volumes.

Financial Highlights – 3Q 2026

COST MANAGEMENT AND CASH FLOW

Amid rising inflation and geopolitical uncertainty, we absorbed cost pressure, kept investing in capacity and efficiency, and chose to build strategic inventory:

- **COGS:** Higher utilities and an 18% rise in labor costs lifted manufacturing overheads 11%, but we held COGS growth to 6% YoY at EGP 6.5B as raw material costs rose only 2% on a high 3Q 2025 base despite the regional conditions.

- **G&A:** Increased by 59% YoY, due to salary increases and absorbed a one-off EGP 43.8M expense, reaching EGP 304M.

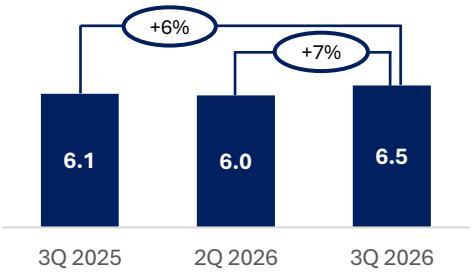
- **Export Subsidies:** New programs alone brought in EGP 89M, cushioning cash inflows.

- **Capex:** We kept building capacity, raising capex 10% YoY to EGP 385M (5% of sales), with EGP 1.2B planned for FY 2026 across feeding lines, production capacity, H&S and digital transformation.

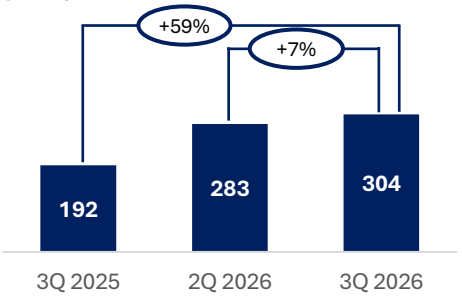
- **Free Cash Flow:** Due to the current geopolitical conditions in Middel East, we raised inventory levels, which took free cash flow down 176% YoY versus 3Q 2025.

- **Net Cash:** The cash we deployed into inventory brought net cash to EGP 0.6B at the end of 3Q 2026, from EGP 1.1B in 2Q 2026, a deliberate trade for supply security.

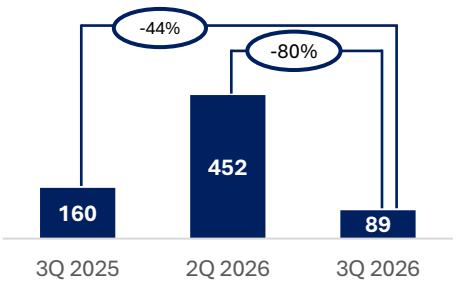
COGS EGP B



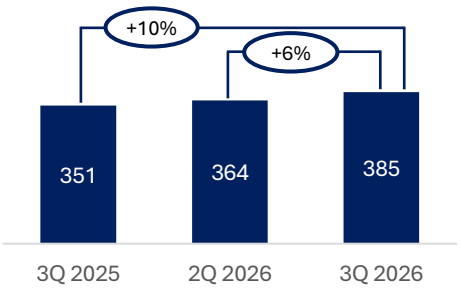
G&A EGP M



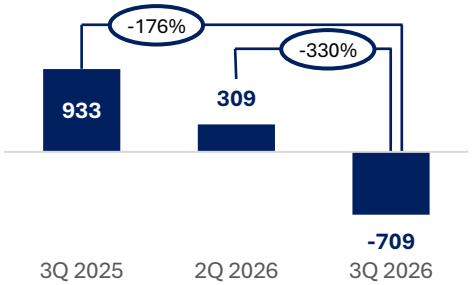
Export Subsidies EGP M



Capex EGP M



Free Cash Flow EGP M



النساجون الشرقيون
ORIENTAL WEAVERS

Financials – 3Q 2026

Income Statement Summary

EGP M	9M 2025	9M 2026	YoY	3Q 2025	2Q 2026	3Q 2026	QoQ	YoY
Revenue	19,462	21,380	9.9%	6,897	6,956	7,479	7.5%	8.4%
Gross Profit	2,335	2,838	21.5%	825	953	1,027	7.7%	24.4%
EBITDA	2,731	3,495	28.0%	929	1,357	1,017	(25.1%)	9.5%
Export Rebates	333	743	123.2%	160	452	89	(80.2%)	(44.0%)
Net Profit	1,763	2,712	53.8%	646	1,121	697	(37.8%)	8.0%
Adj. Net Profit	1,753	2,343	33.6%	643	1,126	578	(48.5%)	(10.0%)
NAP	1,658	2,638	59.1%	614	1,049	730	(30.4%)	18.9%
Margins:								
GPM (%)	12.0%	13.3%	1.3%	12.0%	13.7%	13.7%	0.0%	1.8%
EBITDA margin (%)	14.0%	16.3%	2.3%	13.5%	19.5%	13.6%	(5.9%)	0.1%
NPM (%)	9.1%	12.7%	3.6%	9.4%	16.1%	9.3%	(6.8%)	0.0%
Adj. NPM (%)	9.0%	11.0%	2.0%	9.3%	16.2%	7.8%	(8.5%)	(1.5%)
NAP margin (%)	**8.5%**	**12.3%**	**3.8%**	**8.9%**	**15.1%**	**9.8%**	**(5.3%)**	**0.9%**

1. Adjusted net profit was EGP 2.3B after adjusting for EGP 0.6B net capital gains and one-off expense in 9M 2026
2. NAP: Net Attributable Profit
3. EBITDA include export subsidies, provisions and ECLs

Balance Sheet Summary

EGP M	3Q 2025	3Q 2026	YoY
Inventory	10,581	13,178	24.6%
Cash and Cash Equivalent	6,953	10,099	45.2%
Receivables	4,518	4,813	6.5%
Others	1,453	2,521	73.6%
Current Assets	23,504	30,611	30.2%
Fixed Assets	7,752	7,987	3.0%
Others	2,489	2,599	4.4%
Non-Current Assets	10,241	10,586	3.4%
Total Assets	**33,745**	**41,197**	**22.1%**
Bank Facilities	7,063	9,754	38.1%
Payables	3,144	4,384	39.4%
Others	2,576	3,151	22.3%
Current Liabilities	12,783	17,289	35.2%
Non-Current Liabilities	587	506	(13.9%)
Total Liabilities	**13,370**	**17,795**	**33.1%**
Total Shareholders' Equity	**20,375**	**23,402**	**14.9%**

Cash Flow Summary

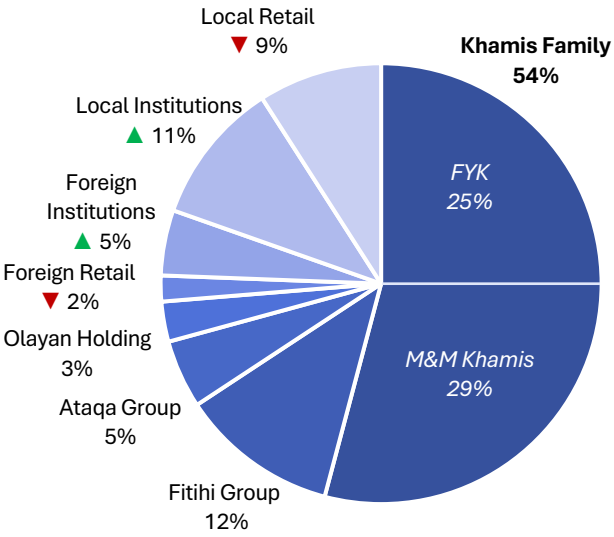
EGP M	9M 2025	9M 2026	YoY
Net Cash Provided by Operating Activities	2,234	2,183	(2.3%)
Net Cash (Used in) / Provided by Investing Activities	208	(304)	(245.9%)
Net Cash Provided by / (Used in) Financing Activities	(985)	2,025	305.6%
Net Change in Cash & Cash Equivalents	**1,457**	**3,903**	**167.9%**
Beginning of Period Cash	4,233	4,844	14.4%
Translation Differences of Foreign Entities	(188)	7	103.5%
End of Period Cash	**5,502**	**8,754**	**59.1%**

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.

Shareholders' Structure - QoQ

As of 30-9-2026



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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