Template for discussion report and analysis of the board of directors of the listed public shareholding company

Date	**13 August 2024**
Name of the Listed Company	National Industries Group Holding K.P.S.C. (NIG)
The period of the financial statements covered by the report	Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2024.
Overview of the main results during the financial period	NIG reported a net profit of KD 30.2 million or EPS (Profit) of 12.73 fils for the first half of 2024 as compared to net profit of KD 13.5 million or EPS (Profit) of 5.69 fils for the same period in 2023. Whereas NIG reported a net profit of KD 0.7 million or EPS (Profit) of 0.29 fils for the 2nd quarter ended 30 June 2024 as compared to net loss of KD 2.4 million or EPS (Loss) of 1.01 fils for the same period in 2023. NIG reported an increase in revenue from sales and contract with customers amounting to KD 83.6 million for the six months ended 30 June 2024 as compared to KD 74 million for the same period in 2023. Additionally, NIG reported gross profit amounting to KD 17.4 million for the six months ended 30 June 2024 as compared to KD 15.3 million for the same period in 2023. Further, NIG reported share of results of associates amounting to KD 26 million for the six months ended 30 June 2024 as compared to KD 14.3 million for the same period in 2023.
Securities issued during the financial period	N/A

Summary of the most important non-financial events and developments during the financial period	N/A
Summary of operational performance during the financial period	For the six months ended 30 June 2024, NIG reported net operating income amounting to KD 64.9 million as compared to KD 45 million for the same period in 2023.
Summary of profit and loss during the financial period	NIG reported total revenue for the six months ended 30 June 2024 amounting to KD 152 million as compared to KD 127.1 million for the same period in 2023. Group's investment division revenue amounted to KD 68.4 million for the six months ended 30 June 2024 as compared to KD 53 million for the same period in 2023. Group's building material division revenue amounted to KD 25.2 million for the six months ended 30 June 2024 as compared to KD 24.4 million for the same period in 2023. NIG's specialist engineering & chemical division revenue amounted to KD 52 million for the six months ended 30 June 2024 as compared to KD 42.7 million for the same period in 2023.
Summary of financial position as at the end of the financial period	The Group's total assets as of 30 June 2024 amounted to KD 1.55 billion as compared to KD 1.50 billion as of 31 December 2023 and KD 1.44 billion as of 30 June 2023. The Group's investment in associates as of 30 June 2024 amounted to KD 391 million as compared to KD 376 million as of 31 December 2023 and KD 338 million as of 30 June 2023. NIG's total borrowings as of 30 June 2024 amounted to KD 738 million as compared to KD 716 million as of 31 December 2023 and KD 701 million as of 30 June 2023.

	The equity attributable to the owners of the Parent Company amounted to KD 522 million as of 30 June 2024 as compared to KD 499 million as of 31 December 2023 and KD 474 million as of 30 June 2023.
Summary of cash flows during the financial period	The Group's net cash outflow from operating activities for the six months ended 30 June 2024 amounted to KD 16.3 million as compared to inflow of KD 4.7 million for the same period ended 30 June 2023. Cash inflow from dividends received during the six months ended 30 June 2024 amounted to KD 16.9 million as compared to KD 22.1 million for the same period in 2023. Net cash inflow from investing activities for the six months ended 30 June 2024 amounted to KD 41.2 million as compared to cash inflow of KD 16.3 million for the same period in 2023. Net cash outflow from financing activities during the six months ended 30 June 2024 amounted to KD 21 million as compared to cash outflow of KD 32.1 million during the same period in 2023.
Main performance indicators	**Earnings Per Share:** 30 June 2024: EPS (Profit): 12.73 fils 30 June 2023: EPS (Profit): 5.69 fils **Net Debt to Equity ratio:** 30 June 2024: 78% 31 December 2023: 77% 30 June 2023: 81%
Expectations for the sector and the company's role in these expectations	Moderate growth of the investment sector is expected.
Expectations regarding the economy and its impact on the company and the sector	Moderate growth of the economy is expected as macroeconomic factors improve where the Group operates.

Future plans for growth and changes in operations in future periods	NIG in its business operations i.e., building materials, petrochemicals, oil & gas, specialist engineering, real estate, utility services, hotel & IT services and financial services is always looking for new opportunities.
The size and impact of current and projected capital expenditures on the company	Property, plant, and equipment purchases during the period ended 30 June 2024 amounted to KD 4 million and we expect that future annual purchases of property, plant and equipment of the Company will range between KD 8 million to KD 10 million.
The developments of the implementation of projects, plans and transactions and deals that were discussed by the company's board of directors in the report for the previous fiscal year	N/A

The name of the authorized signatory	**Ahmed Mohammed Hassan** **Chief Executive Officer**
Signature	
Date	**13 August 2023**
Company's Seal	