

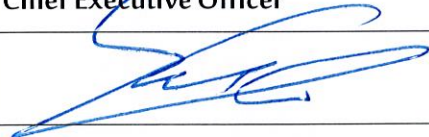
Template for discussion report and analysis of the board of directors of the listed public shareholding company

Date	24 March 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	Consolidated Financial Statements for the year ended 31 December 2023.
Overview of the main results during the financial period	NIG reported a net profit of KD 24.9 million and EPS (Profit) of 11 fils for the year ended 31 December 2023 as compared to net profit of KD 21.4 million and EPS (Profit) of 9.9 fils for the year ended 31 December 2022. Whereas NIG reported a net profit of KD 8.1 million and EPS (Profit) of 3.6 fils for the 4th quarter ended 31 December 2023 as compared to net profit of KD 8.4 million and EPS (Profit) of 3.8 fils for the same period in 2022. NIG reported an increase in revenue from sales and contract with customers amounting to KD 150 million for the Year ended 31 December 2023 as compared to KD 128 million for the year ended 31 December 2022. Additionally, NIG reported an increase in gross profit amounting to KD 34 million for the year ended 31 December 2023 as compared to KD 26.7 million for the year ended 31 December 2022. Further, NIG reported share of results of associates amounting to KD 67 million for the year ended 31 December 2023 as compared to KD 38.1 million for the year ended 31 December 2022.

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 year ended 31 December 2023, NIG reported net operating income amounting to KD 89 million as compared to KD 61 million for the year ended 31 December 2022.
Summary of profit and loss during the financial period	NIG reported total revenue for the year ended 31 December 2023 amounting to KD 267.2 million as compared to KD 206.6 million for the year ended 31 December 2022. Group's investment division revenue amounted to KD 117.2 million for the year ended 31 December 2023 as compared to KD 78.4 million for the year ended 31 December 2022. Group's building material division revenue amounted to KD 50 million for the year ended 31 December 2023 as compared to KD 48.1 million for the year ended 31 December 2022. NIG's specialist engineering & chemical division revenue amounted to KD 87.1 million for the year ended 31 December 2023 as compared to KD 65.4 million for the year ended 31 December 2022.
Summary of financial position as at the end of the financial period	The Group's total assets as of 31 December 2023 amounted to KD 1.5 billion as compared to KD 1.38 billion as of 31 December 2022. The Group's investment in associates as of 31 December 2023 amounted to KD 376 million as compared to KD 354 million as of 31 December 2022. NIG's total borrowings as of 31 December 2023 amounted to KD 716 million as

	compared to KD 652 million as of 31 December 2022. The equity attributable to the owners of the Parent Company amounted to KD 499 million as of 31 December 2023 as compared to KD 487 million as of 31 December 2022.
Summary of cash flows during the financial period	The Group's net cash inflow from operating activities for the year ended 31 December 2023 amounted to KD 0.8 million as compared to an inflow of KD 10.4 million for the year ended 31 December 2022. Cash inflow from dividends from financial assets at fair value through profit & loss and other comprehensive income received during the year ended 31 December 2023 amounted to KD 30 million as compared to KD 19.4 million for the year ended 31 December 2022. Cash inflow from dividends received from associate companies during the year ended 31 December 2023 amounted to KD 17.5 million as compared to KD 5.5 million for the year ended 31 December 2022. Net cash inflow from investing activities for the year ended 31 December 2023 amounted to KD 131.4 million as compared to cash outflow of KD 73.1 million in the year ended 31 December 2022. Net cash outflow from financing activities during the year ended 31 December 2023 amounted to KD 36.4 million as compared to a cash inflow of KD 67.3 million for the year ended 31 December 2022.
Main performance indicators	Earnings Per Share: 31 December 2023: EPS (Profit): 11.0 fils 31 December 2022: EPS (Profit): 9.9 fils Net Debt to Equity ratio: 31 December 2023: 77% 31 December 2022: 72%

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 are actively looking for new opportunities.
The size and impact of current and projected capital expenditures on the company	Property, plant, and equipment purchases during the year ended 31 December 2023 amounted to KD 5.6 million and we expect that future annual purchases of property, plant and equipment of the Company will range between KD 6 million to KD 9 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	March 24, 2024
Company's Seal	