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

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| **Date** | **11 November 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 nine months ended 30 September 2024. |
| **Overview of the main results during the financial period** | NIG reported a net profit of KD 39.4 million or EPS (Profit) of 16.61 fils for the nine months period ended 30 September 2024 as compared to net profit of KD 16.7 million or EPS (Profit) of 7.06 fils for the same period in 2023.<br><br>Whereas NIG reported a net profit of KD 9.2 million or EPS (Profit) of 3.88 fils for the 3rd quarter ended 30 September 2024 as compared to net profit of KD 3.3 million or EPS (Profit) of 1.37 fils for the same period in 2023.<br><br>NIG reported an increase in revenue from sales and contract with customers amounting to KD 128 million for the nine months ended 30 September 2024 as compared to KD 111 million for the same period in 2023.<br><br>Additionally, NIG reported gross profit amounting to KD 26.9 million for the nine months ended 30 September 2024 as compared to KD 23.3 million for the same period in 2023.<br><br>Further, NIG reported share of results of associates amounting to KD 39 million for the nine months ended 30 September 2024 as compared to KD 28.7 million for the same period in 2023. |

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| **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 nine months ended 30 September 2024, NIG reported net operating income amounting to KD 91.5 million as compared to KD 65.2 million for the same period in 2023. |
| **Summary of profit and loss during the financial period** | NIG reported total revenue for the nine months ended 30 September 2024 amounting to KD 225.6 million as compared to KD 186.9 million for the same period in 2023.<br><br>Group's investment division revenue amounted to KD 97.6 million for the nine months ended 30 September 2024 as compared to KD 76 million for the same period in 2023.<br><br>Group's building material division revenue amounted to KD 38.4 million for the nine months ended 30 September 2024 as compared to KD 36.1 million for the same period in 2023.<br><br>NIG's specialist engineering & chemical division revenue amounted to KD 79.9 million for the nine months ended 30 September 2024 as compared to KD 64.9 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 September 2024 amounted to KD 1.57 billion as compared to KD 1.50 billion as of 31 December 2023 and KD 1.45 billion as of 30 September 2023.<br><br>The Group's investment in associates as of 30 September 2024 amounted to KD 403 million as compared to KD 376 million as of 31 December 2023 and KD 349 million as of 30 September 2023. |

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| | NIG's total borrowings as of 30 September 2024 amounted to KD 743 million as compared to KD 716 million as of 31 December 2023 and KD 698 million as of 30 September 2023.<br><br>The equity attributable to the owners of the Parent Company amounted to KD 528 million as of 30 September 2024 as compared to KD 499 million as of 31 December 2023 and KD 478 million as of 30 September 2023. |
| **Summary of cash flows during the financial period** | The Group's net cash outflow from operating activities for the nine months ended 30 September 2024 amounted to KD 14.7 million as compared to an outflow of KD 1.2 million for the same period ended 30 September 2023.<br><br>Cash inflow from dividends received during the nine months ended 30 September 2024 amounted to KD 20.2 million as compared to KD 28 million for the same period in 2023.<br><br>Net cash inflow from investing activities for the nine months ended 30 September 2024 amounted to KD 30.7 million as compared to cash inflow of KD 139.5 million for the same period in 2023.<br><br>Net cash outflow from financing activities during the nine months ended 30 September 2024 amounted to KD 24 million as compared to a cash inflow of KD 43.9 million during the same period in 2023. |
| **Main performance indicators** | **Earnings Per Share:**<br>30 September 2024: EPS (Profit): 16.61 fils<br>30 September 2023: EPS (Profit): 7.06 fils<br><br>**Net Debt to Equity ratio:**<br>30 September 2024: 78%<br>31 December 2023: 77%<br>30 September 2023: 79% |
| **Expectations for the sector and the company's role in these expectations** | Moderate growth of the investment sector is expected. |

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| **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 September 2024 amounted to KD 8.5 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 |

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| **The name of the authorized signatory** | **Ahmed Mohammed Hassan**<br>**Chief Executive Officer** |
| **Signature** | |
| **Date** | **11 November 2024** |
| **Company's Seal** | |